ASX ANNOUNCEMENT

19 September 2018

MINERAL RESOURCES AND ORE RESERVE STATEMENT

Perth, Western Australia: Troy Resources Limited (**ASX:TRY**) (**Troy** or **the Company**) has completed its annual Mineral Resource and Ore Reserve Statement as of 30 June 2018.

The Karouni Resources and Reserve Statement for 30 June 2018 has been updated to take mining depletion into account and to include design changes at Smarts. In addition, Ore Reserves have been included for the first time for the Spearpoint deposit. Goldstar has also been included for the first time as an Inferred Mineral Resource. Larken is included for the first time as a Resource with an Ore Reserve in the process of being determined.

Troy's Mineral Resource and Ore Reserve Statement as of 30 June 2018 are as follows:

Table 1: Karouni Ore Reserves[1]

	Proven Reserves			Probable Reserves			Total		
	Tonnes	**Grade (g/t)**	**Ounces**	**Tonnes**	**Grade (g/t)**	**Ounces**	**Tonnes**	**Grade (g/t)**	**Ounces**
Smarts	86,000	2.12	5,900	602,000	2.97	57,500	688,000	2.87	63,400
Hicks	-	-	-	511,000	2.30	37,700	511,000	2.30	37,700
Spearpoint	-	-	-	170,000	1.76	9,600	170,000	1.76	9,600
Stocks	167,000	1.71	9,200	-	-	-	167,000	1.71	9,200
Total	**253,000**	**1.84**	**15,000**	**1,283,000**	**2.54**	**104,800**	**1,536,000**	**2.43**	**119,800**

[1] Refer to the notes on Reserves at the end of this statement.

Table 2: Karouni Mineral Resources (inclusive of Ore Reserves) [2]													
		Measured Resources			Indicated Resources			Inferred Resources			Total		
	Cut-off grade (g/t)	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
Smarts	0.5	94,000	2.1	6,500	610,000	3.2	61,900	3,479,000	1.9	215,700	4,183,000	2.1	284,100
Hicks	0.5	-	0.0	-	1,432,000	1.8	84,100	26,000	2.1	1,700	1,458,000	1.8	85,800
Larken	0.5	50,000	2.5	4,000	13,000	2.0	800	85,000	2.0	5,400	148,000	2.1	10,200
Spearpoint	0.5	-	-	-	693,000	1.3	29,700	328,000	1.3	13,500	1,021,000	1.3	43,200
Goldstar	0.5	-	0.0	-	-	-	-	621,000	1.3	26,000	621,000	1.3	26,000
Smarts Deeps	1	135,000	3.4	14,600	930,000	3.7	109,400	1,935,000	2.6	163,500	3,000,000	3.0	287,500
Hicks Deeps	1				1,566,000	2.0	99,900	1,210,000	2.1	80,500	2,776,000	2.0	180,400
Stocks	na	167,000	1.7	9,200	-	-	-	-	-	-	167,000	1.7	9,200
MW	na	341,000	0.6	6,200	-	-	-	-	-	-	341,000	0.6	6,200
Total		**787,000**	**1.6**	**40,500**	**5,244,000**	**2.3**	**385,800**	**7,684,000**	**2.1**	**506,300**	**13,715,000**	**2.1**	**932,600**

[2] Refer to the notes on Resources at the end of this statement.

SMARTS

Open pit mining commenced in April 2015 and ore processing commenced in November 2015.

Mining progressed during the 2017-18 financial year in Smarts 3 and Smarts 4. The pit wall failure that occurred in Smarts 3 was fully rehabilitated and mining has taken place since October 2017 without interruption. The current Ore Reserve includes a cut-back to Smarts 3 to enable the pit to be deepened to exploit additional mineralisation.

Mining progressed as per plan in Smarts 4 and this mining stage of the pit is scheduled to be completed to design during the current 2018-19 year.

Mineral Resources are reported within a A$2,000 pit shell at a cut-off grade of 0.5g/t. Resources outside this pit shell are reported at a cut-off of 1g/t.

The Ore Reserve cut-off is 0.86 g/t for the Smarts pits which is currently used as the in-pit cut-off.

Figure 1 shows the ultimate Smarts design pits with all blocks greater than a 0.86 g/t cut-off remaining to be mined. Figure 2 shows the Smarts Deeps resource beneath the final pit design.

The resources outside the Smarts pit are reported at a 1.0 g/t cut-off grade and are referred to as the Smarts Deeps resource.

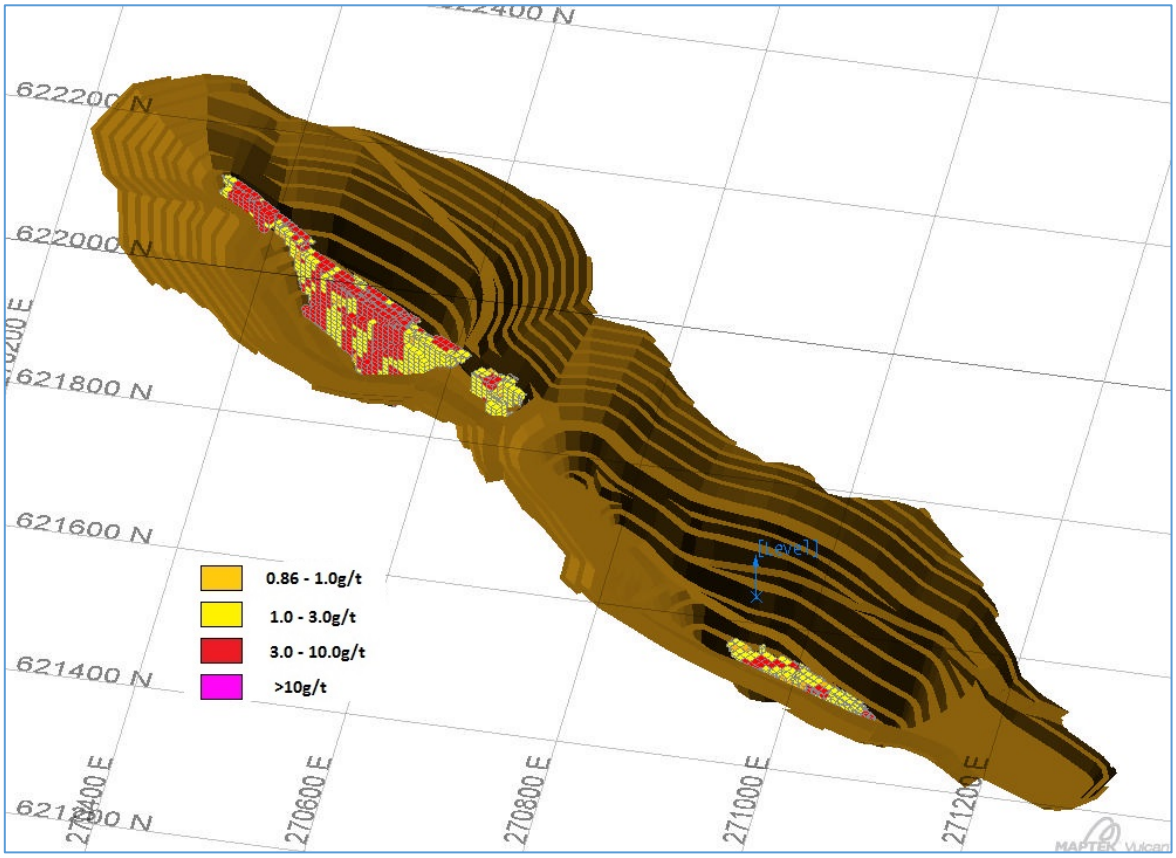

Figure 1: Smarts pits showing remaining ore blocks > 0.86 g/t

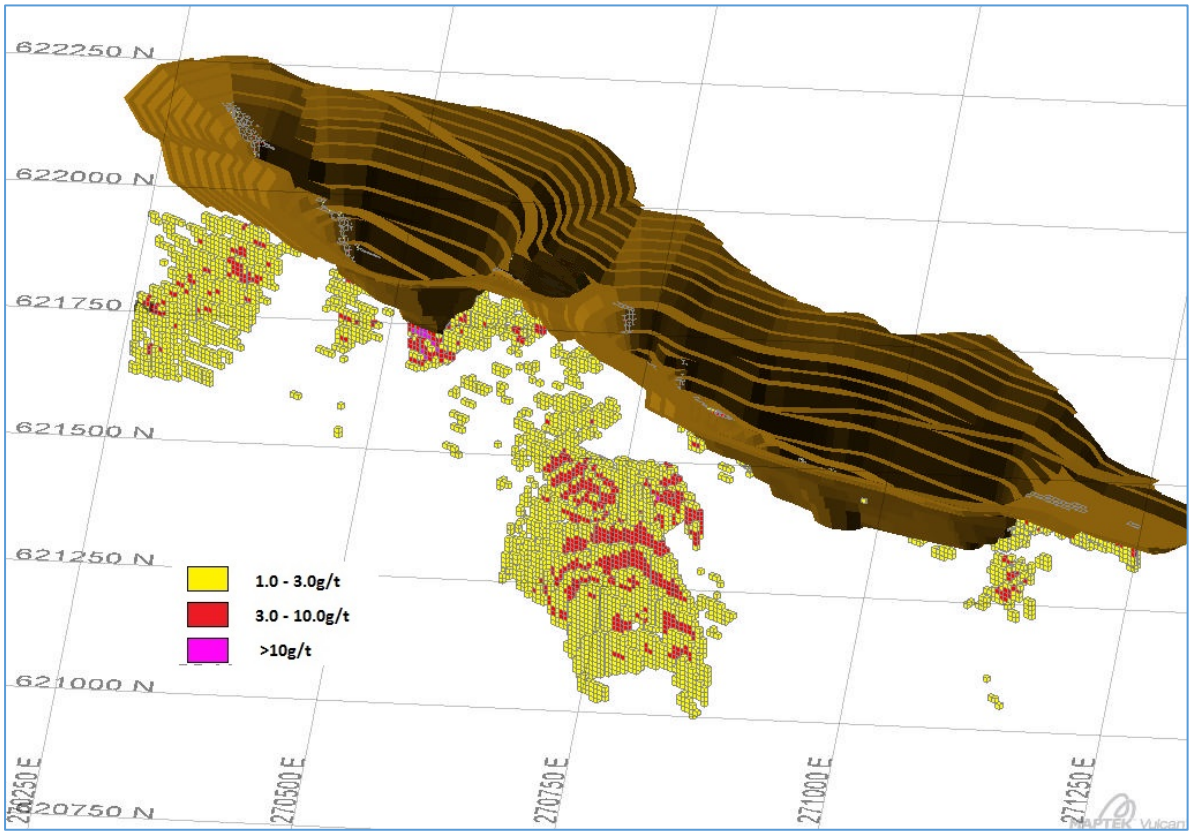

Figure 2: Smarts pits showing Smarts Deeps blocks > 1.0 g/t

HICKS

During the year mining continued in the Hicks 1 and Hicks 2 pits. The creek between Hicks 2 and the previously completed Hicks 3 pit has been diverted and this will enable the Hicks 2 pit to be mined to its design exposing high grade ore that was previously inaccessible.

Mineral Resources are reported at a cut-off of 0.5g/t within a A$2,000 pit shell. Below this pit, shell Resources are reported at a cut-off of 1g/t, consistent with the Smarts deposit. The grade of 0.5 g/t represents the current marginal cut-off grade used to stockpile mineralised waste for Hicks. The ore reserve cut-off is 0.86 g/t for the Hicks pits which is currently used as the in-pit cut-off.

Figure 3 shows the ultimate Hicks design pits with all ore blocks greater than 0.86 g/t.

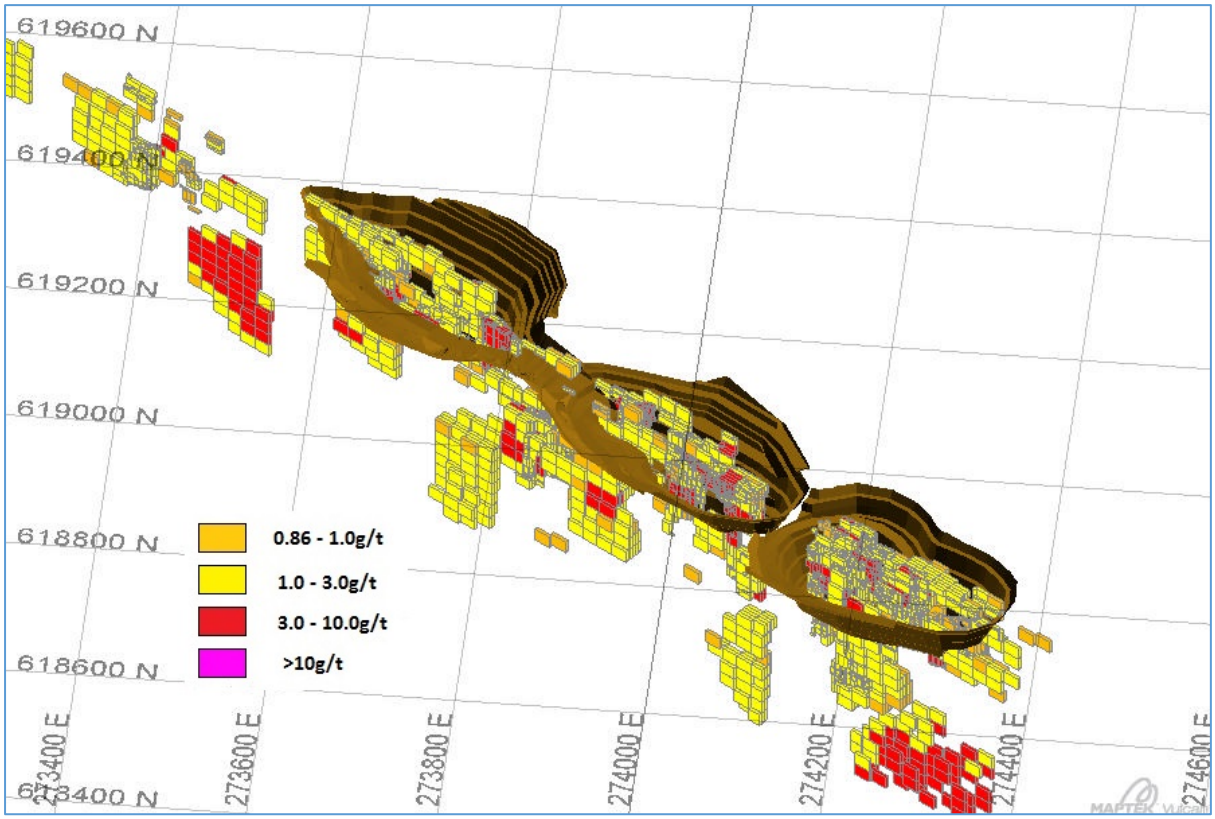

Figure 3: Hicks pits showing ore blocks > 0.86 g/t

SPEARPOINT

Additional infill drilling at Spearpoint has enabled a Mineral Resource and an Ore Reserve to be estimated.

Spearpoint is a SE continuation of the Smarts deposit and displays similar geological characteristics. Two parallel shear zones were identified striking approximately SE-NW. Between these shears, a series of north-south quartz veins were also intersected with drilling. The drilling was oriented to intersect these veins in an optimal direction. Some drilling was directed to the NE to intersect the main shear zones while the north-south veins were intersected with drilling oriented to the west.

Similar to Smarts, the north-south veins at Spearpoint appear to be constrained to mafic units amenable to brittle deformation.

Figure 4 shows the Spearpoint pit with all ore blocks greater than 0.86 g/t.

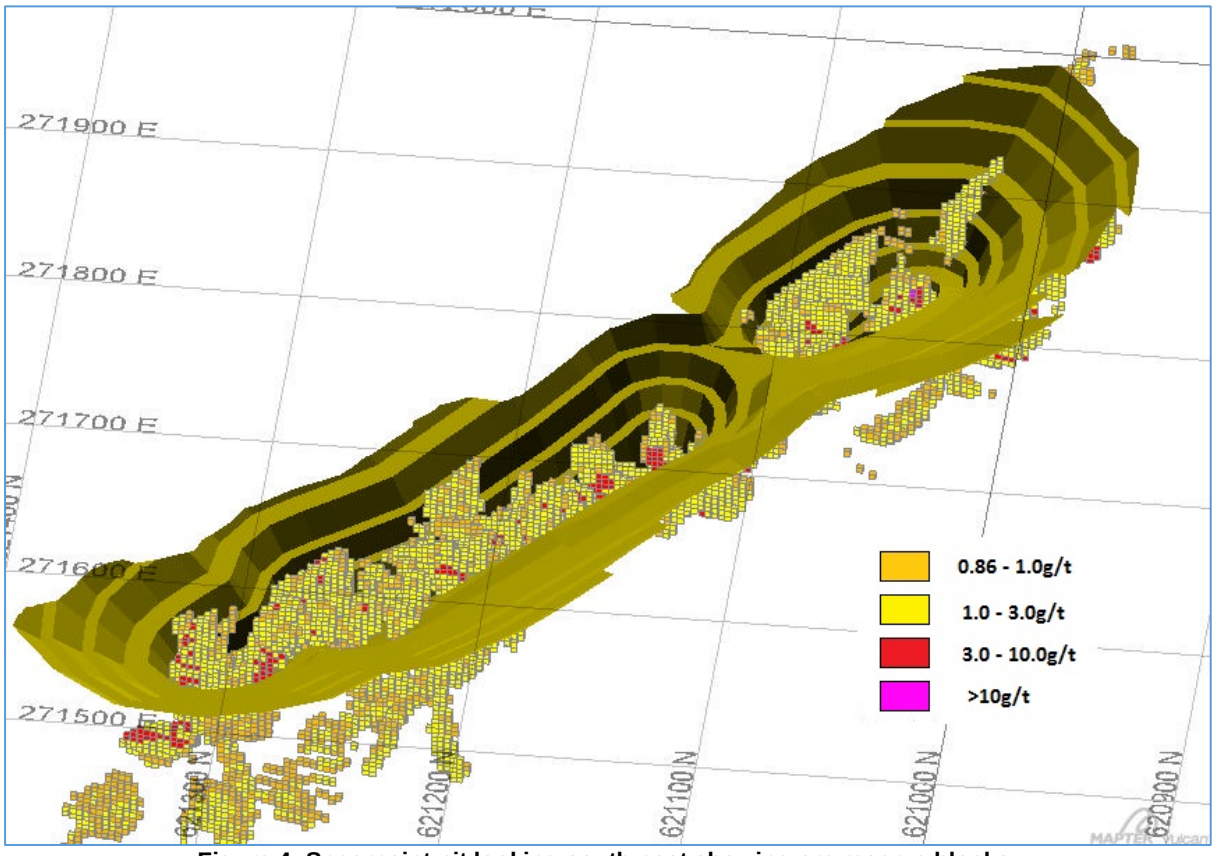

Figure 4: Spearpoint pit looking south-east showing ore reserve blocks

GOLDSTAR

Drilling completed at Goldstar in 2016 and 2017 has been used to estimate a maiden Mineral Resource.

Drilling is wide-spaced at up to 400m but a continuous mineralised zone has been delineated over several drill sections.

LARKEN

Infill drilling at Larken has enabled an upgraded Mineral Resource to be estimated. A Reserve calculation for Larken is yet to be finalised.

Larken is a shear hosted deposit consisting of one main, sub-vertical shear about 1 to 5 metres wide.

The mineralised structure remains open at depth and along strike in both directions.

Additional notes to Resource and Reserve Estimates

As Goldstar and Spearpoint are being reported for the first time as Mineral Resources, the following information is included as per ASX Listing Rules 5.8.1 and 5.9.1.

Geology and Geological Interpretation

The mineralisation at the Smarts and Spearpoint is associated with shear zones that transect a sequence of mafic to intermediate volcanic, volcanoclastic and pyroclastic rocks. The shear zones dip steeply towards the southwest and strikes northwest to southeast, and are characterised by intense brittle-ductile deformation and carbonate alteration plus quartz veining and abundant pyrite. The high grade gold mineralisation is usually associated with zones of dilation and stockworks of predominantly north-south quartz veining within and adjacent to the shear zone.

Mineralisation at Hicks is contained within the same shear zones as Smarts but intrusive porphyries contain much of the gold mineralisation. Felsic porphyries with quartz veining, minor sulphides and sericite alteration are the main target with minor gold mineralisation contained within the shear zones.

Larken is hosted by a steeply dipping, narrow (1-5m), shear zone. Mineralisation is related to quartz veining with associated sulphides, generally pyrite.

Goldstar mineralisation is contained in a wide (~20m) shear zone containing of quartz mineralisation in a brittle-ductile environment contained in a sequence of mafics and volcanoclastic sediments.

Sampling and sub-sampling techniques

Drilling at Larken, Spearpoint and Goldstar was sampled on 1m intervals. Samples were collected at the rig through a cyclone and then split through a rig mounted splitter or a portable three tier splitter depending on the rig. Samples were split to an approximate 3kg sub-sample which was submitted for assay. At the assay laboratory these samples were ground and then further split to a 50g used in the final assay procedure.

Drilling techniques

Spearpoint and Larken were drilled primarily with RC drilling techniques. There were also some diamond drill holes from previous drilling campaigns.

Classification criteria

Classification was based on geological confidence in the geological interpretation. At Larken this was measured generally on drill density. The Larken Resource drilled on 10m spaced sections was classified as Measured, wider spacings were classified as Indicated or Inferred. At Spearpoint drilling on nominal 20m spacings were classified as Indicated. Drilling was carried out

at different directions to accommodate the different directions of mineralised structures. Goldstar due to the wide spaced drilling was classified as Inferred.

Sample analysis

All assaying was done at Actlabs in Georgetown, Guyana. Actlabs is an internationally accredited laboratory. Assaying was fire assay with a 50g charge and AAS finish. Some high grade assays were also done with a gravimetric finish.

Estimation methodology

Maiden Mineral Resources at Spearpoint and Goldstar were estimated using inverse distance squared grade interpolation methods. At Goldstar a three dimensional shape was modelled from drilling and grades were estimated into this solid. At Spearpoint the hangingwall and footwall shears were modelled and grades were estimated into these solid shapes. The mafic unit between these shears was interpreted to contain a series of north-south veins. These veins were not interpreted separately as solid shapes but search ellipses were oriented in the predominant direction of quartz veining as determined from diamond drill holes in the deposit.

Cut-off grades

Cut-off grades for Mineral Resources are 0.5g/t. This is based on the marginal cut-off grade for mineralisation in the open pits. Material mined between 0.5g/t and 0.86g/t is stockpiled as mineralised waste. The Smarts and Hicks Mineral Resources were reported in A$2,000 optimised pit shells.

Due to the relatively smaller size of the Larken, Spearpoint and Goldstar deposits these were reported at a 0.5g/t cut-off grade only.

Mining and Metallurgical factors

Smarts and Hicks Mineral Resources were reported within A$2,000 pit shells. These pit shells were determined using current operating costs and mining and milling parameters. Ore Reserves were estimated using current operating costs and parameters and a US$1,200 gold price.

Resources

1. Resources for Smarts are calculated at a cut-off of 0.5 g/t constrained to a A$2,000 pit shell.
2. Resources for Hicks are calculated at a cut-off of 0.5 g/t constrained to a A$2,000 pit shell.
3. Resources for Larken, Spearpoint and Goldstar are calculated at a cut-off of 0.5 g/t.
4. Resources for Smarts Deeps and Hicks Deeps are calculated at 1.00 g/t cut-off grade.
5. Differences may occur due to rounding.

Reserves

1. Reserves calculated at a gold price of USD $1,200 per ounce.
2. Reserves for Smarts are calculated at a cut-off of 0.86 g/t.
3. Reserves for Hicks are calculated at a cut-off of 0.86 g/t.
4. Ore loss attributed to both Hicks and Smarts of 5%.
5. Dilution of 10% at a gold grade of 0.00 g/t added to both Hicks and Smarts after ore loss.
6. Stockpiles include ROM and Fine Ore crushed as of June 30, 2018 based on survey and sampling. Included are 162,000 tonnes of ROM (run-of-mine) at 1.7 g/t and 4,700 tonnes of crushed fine ore at 2.1 g/t.
7. Source is Troy updated internal modelling and actual sampling of stockpiles.
8. Differences may occur due to rounding.

RESERVE TO MINING RECONCILIATION

Table 3 summarises the reserve reconciled to mill production.

Table 3: Karouni Project-Reconciliation			
	Tonnes	**Grade (g/t)**	**Ounces**
Reserve 30 June 2017 *Ore Reserve reported last year*	2,940,000	2.22	210,000
Mined in 2017-18 *Mine production reconciled to mill production*	1,022,876	2.51	82,411
Processed 2017-18[1]	865,217	2.65	73,853
Change in Stock 2017	157,659	1.69	8,558
Depleted from Models	1,174,971	2.38	89,825
Model discrepancy	(156,044)	1.53	(7,685)
Design changes	(385,029)	0.69	(8,530)
Reserve 30 June 2018	**1,535,955**	**2.43**	**119,838**

[1] not including 6,443t @ 0.6g/t mineralised waste that was also processed

The ore block models reconciled to within about 9% of contained ounces for the year, however, this significantly improved towards the end of the 2017/18 year. Minor design changes in all pits resulted in the reduction of accessible ore of 8,530oz.

ENDS

For further information please contact:

Ken Nilsson - CEO and Managing Director
T: +61 8 9481 1277
E: troy@troyres.com.au

Peter Stern - Non-Executive Chairman
T: +61 8 9481 1277
E: troy@troyres.com.au

Gerry Kaczmarek - CFO and Company Secretary
T: +61 8 9481 1277
E: troy@troyres.com.au

Competent Persons Statement

Information of a scientific or technical nature that relates to exploration results, Mineral Resources or Ore Reserves is based on, and fairly represents, information and supporting documentation prepared under the supervision of Mr Richard Maddocks. Mr. Maddocks has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "competent person" as defined under the Australian JORC Code as per the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Maddocks has reviewed and approved the information contained in this announcement. Mr. Maddocks:-

- *Is a consultant to Troy Resources Limited*
- *Has sufficient experience which is relevant to the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'*
- *Is a Fellow of the Australasian Institute of Mining and Metallurgy*
- *Has consented in writing to the inclusion of this data*

The information relating to exploration results for the Karouni project is extracted from various Troy ASX Announcements and Quarterly Reports previously released to the ASX.

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 Competent Person's findings are presented here have not been materially modified from the original market announcements.

Appendix 1 – Assessment and Reporting Criteria - Karouni

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Technique	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The area of the Smarts Resource was sampled using Reverse Circulation (RC) and Diamond Core drill holes (DC) on nominal 100m x 50m, 50m x 25m and 25m x 25m grid spacing. A total of 594 RC holes (46,954m) and 234 DC holes (45,661m) were drilled. Holes were angled towards 050° or 230° magnetic at declinations of between -050 and -60°, to optimally intersect mineralised zones. Spearpoint, Larken and Goldstar were drilled using RC drilling and sampled on 1m intervals All RC samples were weighed to determine recoveries. All potentially mineralised zones were then split and sampled at 1m intervals using three-tier riffle splitters. Zones that appeared visually non-mineralised were sampled as 3m composites. Diamond core is a combination of PQ and HQ sizes and all Diamond Core was logged for lithological, structural, geotechnical, specific gravity and other attributes. Half-core sampling was completed at a maximum of 1m intervals in the mineralised zones, and 4m quarter-core composites in visually non-mineralised zones. QA/QC procedures were completed as per industry best practice standards (certified blanks and standards and duplicate sampling). Samples were despatched to Actlabs in Georgetown, Guyana for sample preparation, where they were crushed, dried and pulverised to produce a sub sample for analysis. Prior to January 2012 this sub-sample was despatch to Actlabs in Santiago, Chile, where they were analysed for gold by 30g fire assay method with a gravimetric finish. Actlabs installed a fire assay facility in Georgetown in January 2012 where 30g fire assays, gravimetric finishes and screen fire assays have been conducted since
Drilling Techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Diamond Core drilling in the Smarts Resource area comprises PQ and HQ sized core. Reverse Circulation "RC" Pre-collar depths range from 0m to 151m and Diamond Core "DC" holes are a combination of diamond tails (extensions of RC pre-collars) and diamond from surface with EOH depths ranging from 79m to 480m. The core was oriented using either an orientation spear, the Easymark system for the pre-2013 drilling. All the diamond drilling completed in 2013 utilized the ACTTM core orientation system. Reverse Circulation "RC" drilling within the resource areas of Smarts, Hicks, Spearpoint, Larken and Goldstar comprises 5.5 inch diameter face sampling hammer drilling and hole depths range from 36m to 199m.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Diamond Core and RC recoveries are logged and recorded in the database. Overall recoveries are >95% for the DC and >75% for the RC; there are no core loss issues or significant sample recovery problems. A technician is always present at the core-rig to monitor and record recovery and RQD data. DC is reconstructed into continuous runs on an angle- iron ledge at the core-yard for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers and the Company's geologists and technicians. RC samples were visually checked for recovery, moisture and contamination. The Smarts Resource is defined by DC and RC drilling, which have high sample recoveries. The style of mineralisation, with frequent high-grades and visible gold, require large diameter core and good recoveries to evaluate the deposit adequately. The consistency of the mineralised intervals is considered to preclude any issue of sample bias due to material loss or gain.

Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Geotechnical logging was carried out on all diamond drill holes for recovery, RQD and number of defects (per interval). Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure/Geotech table of the database. Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, structural (DDH only), weathering, alteration, colour and other features of the samples. Core was photographed in both dry and wet form All drilling has been logged to standard that is appropriate for the category of Resource which is being reported
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	Core was cut in half on site using a CM core cutter. All samples were collected from the same side of the core RC samples were collected on the rig using a three tier riffle splitter. All samples were dry The sample preparation for all samples follows industry best practice. Actlabs in Georgetown, Guyana for sample preparation, where they were crushed, dried and pulverised to produce a sub sample for analysis. Sample preparation involving oven drying, coarse crushing, followed by total pulverisation LM2 grinding mills to a grind size of 85% passing 75 microns. Field QC procedures involve the use of certified reference material as assay standards, blanks, and duplicates for the RC samples only. The insertion rate of these averaged 2:20 for core and 3:20 for RC Field duplicates were taken on for both 1m RC splits and 3m composites for RC, using a riffle splitter. No field duplicates were collected from diamond core. Six pairs of twinned diamond and RC holes were drilled. These holes supported the location of the geological intervals intersected The sample sizes are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established	The laboratory used an aqua regia digest followed by fire assay with an AAS finish for gold analysis No geophysical tools were used to determine any element concentrations used in this Resource Estimate Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75 micron was being attained. Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in house procedures. Certified reference materials, having a good range of values, were inserted blindly and randomly. Results highlight that sample assay values are accurate and that contamination has been contained. Repeat or duplicate analysis for samples shows that the precision of samples is within acceptable limits. Sample preparation and assaying conducted by Actlabs Guyana Inc. -Assayed by 50g fire assay with gravimetric finish. QA/QC protocol: For diamond core one blank and one standard inserted for every 18 core samples (2 QA/QC samples within every 20 samples dispatched, or 1 QA/QC sample per 10 samples despatched) and no duplicates. QA/QC protocol: For RC samples we insert one blank, one standard and one duplicate for every 17 samples (3 QA/QC within every 20 samples or 1 every 8.5 samples).

Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes Discuss any adjustment to assay data	Troy geologists and the competent person has visually verified significant intersections in diamond core and RC drilling as part of the Resource Estimation process At Smarts six sets of twin diamond and RC drill holes have been drilled within 5m of each other. The consistency of the results are acceptable for this type of deposit containing abundant coarse gold. No adjustments or calibrations were made to any assay data used in this estimate. Two holes contained intersections at the end of hole that were excluded due to likelihood of downhole contamination, SRC319 and SRC660. Primary data was collected using a set of company standard Excel templates on Toughbook laptop computers using lookup codes. The information was validated on-site by the Company's database technicians and then merged and validated into a final Acquire database by the company's database manager based in Georgetown, Guyana.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used Quality and adequacy of topographic control	All drill holes have been located by DGPS in UTM grid PSAD56 Zone 21 North. Downhole surveys were completed at the end of every hole where possible using a Reflex Gyro downhole survey tool, taking measurements every 5m. Lidar data was used for topographic control.
Data spacing and distribution	Data spacing for reporting of Exploration Results Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied	The nominal drill hole spacing at Smarts and Hicks is 50m or 25m (northwest) by 50m or 25m (northeast). At Larken the spacing is down to 10m and at Goldstar spacing is 200m to 400m between drill lines The mineralised domains have demonstrated sufficient continuity in both geological and grade to support the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. Samples have generally been taken on one metre intervals, some areas logged as waste have had four or three meter composite samples taken.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The majority of the data is drilled to either magnetic 050° or 230° orientations, which is orthogonal/perpendicular to the orientation of the mineralised trend. The bulk of the drilling is almost perpendicular to the mineralised domains. Structural logging based on oriented core indicates that the main mineralisation controls are largely perpendicular to drill direction. No orientation based sampling bias has been identified in the data at this point.
Sample security	The measures taken to ensure sample security	Chain of custody is managed by Troy. Samples are stored on site and delivered by Troy personnel to Actlabs, Georgetown, for sample preparation.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Karouni Project tenements cover an aggregate area of 253,538 acres (102,605ha), granting the holders the right to explore for gold or gold and diamonds. The tenements have been acquired by either direct grant to Pharsalus Gold (25,990 acres /10,518ha) or by contractual agreements with tenement holders (227,548 acres 92,087ha). Apart from the Kaburi Agreement (29,143 acres 11,794ha), which provides for Pharsalus Gold to earn a 90% interest, all other vendor agreements provide Pharsalus Gold with the right to obtain an ultimate interest of 100%. The Karouni Project comprises a single (large scale) mining license, 94 (small scale) claim licences, 217 (medium scale) prospecting and mining permits, and 6

		(large scale) Prospecting Licences. All licences, permits and claims are granted for either gold or gold and diamonds. The (large scale) prospecting licences include three licences won by Pharsalus Gold at open auction on 22 November 2007 (GS14: P-18, P-19 and P-20) which are owned 100% by Pharsalus Gold. The various mining permits that cover the Smarts deposit were originally owned by L. Smarts and George Hicks Mining. The permits were purchased by Pharsalus Gold (a wholly owned subsidiary of Troy Resources) in 2011. Troy Resources acquired the permits with the acquisition of Azimuth Resources in August 2013. All transfer fees have been paid, and the permits are valid and up to date with the Guyanese authorities. The payment of gross production royalties is provided for by the Act and the amount of royalty to be paid for mining licences 5%, however recent mineral agreements entered stipulate a royalty of 8% if the gold price is above US$1,000 per ounce. The tenure and land status is in good condition,
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Very little exploration has been carried out over the tenement prior to Azimuth's involvement which commenced in 2011. Portions of the Karouni Project have been held more or less continuously by small family gold mining syndicates (locally termed 'Pork Knockers') since the 1960's. This situation persists to the present day. Portions of the current project area were variously held under option to purchase agreements by Cominco (1974-75), Overseas Platinum Corporation (1988) and Cathedral Gold Corporation (1993-2002). In 1999, Cathedral Gold joint ventured the property to Cambior, then owner and operator of the Omai Gold Mine located 40km to the east, with a view to processing the Hicks mineralisation through the Omai processing facility. Cambior intended to use its existing mining fleet, rather than road trains, to haul mill feed from the Hicks deposit. Execution of this approach proved uneconomic and disruptive to the mining schedule at Omai itself. No further work was undertaken and the joint venture was terminated in 2000. In 2002, Cathedral Gold became a service company to the oil and gas sector and spun its gold and base metals assets into a new company called Imperial Metals Inc. Imperial Metals has maintained an interest in the Hicks Project to the present day and, under its agreement with Pharsalus, still retain a 1% net smelter return (NSR) royalty in the project, applicable after the initial 200,000oz of gold production. Available historic records and data were reviewed by both Troy during Due Diligence prior to the takeover and as part of the Resource modelling and estimation work
Geology	Deposit type, geological setting and style of mineralisation.	Primary gold mineralisation is exposed at several localities within the Karouni Project, the most notable being the Hicks, Smarts and Larken Prospects along the northern extremity of the Project. Here the White Sand Formation cover has been removed by erosion to expose the underlying mineralised Paleoproterozoic Greenstone successions of the Trans- Amazonian Barama-Mazaruni Group. Extensive superficial cover of White Sand Formation within the central and southern portions of the Project tenements masks the basement lithology and conceals any gold mineralisation. The evaluation of airborne geophysical data has however indicated that the Barama-Mazaruni Greenstone Belts and associated syntectonic intrusives

		persist at shallow depth beneath this cover. The mineralisation at the Smarts and Hicks Zones is associated with a shear zone that transects a sequence of mafic to intermediate volcanic, volcaniclastic and pyroclastic rocks. The shear zone dips steeply towards the southwest, strikes northwest to southeast, and is characterized by intense brittle-ductile deformation and carbonate alteration plus quartz veining and abundant pyrite. The high grade gold mineralisation is usually associated with zones of dilational and stockworks quartz veining within and adjacent to the shear zone At Smarts and Spearpoint gold is hosted by a northwest trending, sub-vertical to steeply southwest dipping shear zone 2,800m in strike length and up to 60m wide. The shear zone has developed within basalts and andesites comprising the footwall greenstone succession along the north-eastern limb of a shallowly northwest plunging anticline. Auriferous mineralisation is also noted at the contacts of porphyry-granite intrusives. The shear zone is comprised of semi-continuous zones of quartz lenses and quartz-carbonate veining or brecciation. Numerous, moderately well-defined gold-rich lenses, up to 15m wide, occur within the shear zone and are characterized by anomalous quartz veining, quartz flooding, shearing, chloritization, sterilisation and pyritisation. Visible gold and the majority of gold values typically occur within and along margins of quartz veins, in silicified granitic dykes, and in adjacent, pyritic, often sheared meta-andesite. Pyrite is common at up to 3% by volume associated with auriferous quartz veins. Mineralisation is variously accompanied by silica-sericite-chlorite-carbonate- pyrite-tourmaline alteration. Visible gold and the majority of gold values typically occur within and along margins of quartz veins, in silicified granitic dykes, and in adjacent, pyritic, often sheared meta-andesite. Pyrite is common at up to 3% by volume, with local, trace amounts of molybdenite, galena and sphalerite, associated with auriferous quartz veins. Mineralisation is variously accompanied by silica-sericite-chlorite-carbonate-pyrite-tourmaline alteration, while fuchsite is developed within porphyry intrusives in contact with high magnesian basalts and along shear zones. Larken mineralisation is contained with a 1mto 5m wide spear zone contained in a sequence of mafics and volcaniclastic sediments. The shear zone strikes 305 and is sub-vertical. Mineralisation is associated with quartz veining and minor sulphides
Drill hole information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Significant intercepts that form the basis of this Resource estimate have been released to the ASX in previous announcements by Azimuth Resources and Troy Resources, with appropriate tables incorporating Hole ID, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. Appropriate maps and plans also accompany all previous exploration announcements.

Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	All intersections are assayed on one meter intervals. No top cuts have been applied to exploration results. Mineralised intervals are reported with a maximum of 2m of internal dilution of less than 0.5g/t. Mineralised intervals are reported on a weighted average basis
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	The orientation of the mineralised zone has been established and the majority of the drilling was planned in such a way as to intersect mineralisation in a perpendicular manner. However, due to topographic limitations some holes were drilled from less than ideal orientations.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	The appropriate plans and sections have been included in the text of this document and previous releases.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	The appropriate plans and sections have been included in the text of this document and in previous releases.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	There is no other substantive exploration work to report..
Further work	The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling. Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The property is in production and no further work is necessary.

Section 3 Estimation and Reporting of Mineral Resources		
Criteria	**JORC Code Explanation**	**Commentary**
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used.	Field checks of drill hole collar position were conducted. Spot checks of database entries against original files were also conducted. An electronic database storage facility with restricted write access is used to store all drilling data.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The Competent Person had visited the mine site and the deposits several times over the past 5 years.

Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	The mineralised shear zone containing the Smarts and Hicks Deposits is a continuous zone that is traceable over many drill sections for several kilometres. Mineralised shapes are interpreted based on geology and are constrained to geological contacts. The distribution of some higher grade zones is controlled by the geometry of the main shear zone and subsidiary shears. Where this relationship is well understood resources have been categorised as Measured, where it is less understood or there is lower drill density resources have been categorised as Indicated, areas that are poorly understood have been classified accordingly as Inferred. A fault zone is interpreted to have caused a displacement between Hicks and Smarts Deposits. Subsequent to mining commencing the presence of an additional, previously unknown vein orientation was discovered. These veins are generally of a north-south strike with surface drilling at an oblique angle. These veins are constrained within bounding shears which represent the hanging and footwall of the majority of the Smarts mineralisation. Mineralisation at Spearpoint is essentially a continuation of Smarts to the SE. Larken is interpreted as a single, sub-vertical shear about 1 to 5m wide. Grade estimation is limited to this shear zone. Goldstar is interpreted as a zone of shearing up to 15m wide within a package of mafics and volcanoclastic sediments.
Dimensions	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The Smarts Mineral Resource estimate block model has the following extents: Along strike 2500m, across strike 270m and a vertical extent of 350 m extending to a depth of about 250 m below surface. Hicks block model has following extents: along strike 1500m, across strike 150m and a vertical extent of 350m. Larken block model extends for 500m along strike, 150m across strike and has a vertical extent of 300m Spearpoint block model has following extents; along strike 780m, across strike 600m and a vertical extent of 250m Goldstar block model has following extents: along strike 1360m, across strike 320m and a vertical extent of 160m
Estimation and modelling techniques	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domains, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation	Multiple Indicator kriging was used for estimation of Smarts and inverse distance squared for Hicks Mineral Resources. The domains for the deposits were based on geological continuity of mineralised structures. Top cuts were applied based on statistical analysis of data within each domain. A top cut of between 10g/t and 100g/t was applied to each domain. Variography was used to determine search directions and extents. Some domains contained insufficient data to enable meaningful variograms, in such cases the smaller domains were assumed to have the same geostatistical parameters are the larger domain. The maximum search distance was 360m along strike however most mineralised domains do not have a strike length of this extent. For Measured and Indicated resources the maximum along strike search distance is 50m. North-south veins beneath the Smarts pit have been modelled as multiple solid shapes. The Smarts Deeps resource is based on an ordinary kreiged model as the MIK model does not extend deep enough to include all the mineralisation. No assumptions have been made regarding by-products. There are no material by-products assumed to be produced. There has been no sampling of deleterious elements. Geological logging of RC chips and diamond drill core has indicated no such elements exist. Pyrite is the dominant sulphide in the mineralised zone and this will

	was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	be processed and tails stored in a secure tailings facility. The block size has been selected based on an approximate half drill spacing along strike with other dimensions selected to achieve adequate resolution of the geological interpretation. Nominal drill spacing is 100m X 50m, 50m x 25m or 25m x 25m. The block size within the pit is 7.5m x 7.5m x 5m for Smarts and to better represent the narrow nature of north-south veins in Hicks a minimum block size of 1m x 5m x 2.5m was used. Estimation was conducted on a parent block size of 4m x 20m x 10m at Hicks. For the Smarts MIK model, an SMU size of 3m x 3m x 2.5m is used (roughly same as blast hole spacing). No assumptions regarding SMU size for Hicks was made. For Grade control, ore sampling every 2.5m on 5m depth holes with drilling partners of 2m x 2m are taken. Composite bench elevations are created and two composites to represent a mining bench are used in the delineation of ore production polygons. No assumptions have been made about correlation between variables. The only variable modelled was gold. The gold grades are constrained by geological shear structures. This structure provided a hard boundary which was used to constrain the estimation of grades. There are several mineralised shear structures but there is one dominant one at Smarts. Geostatistical analysis indicated that Smarts required top cutting of outlying assay results. Visible gold is seen in drill core and it is common for orebodies such as these to cut high grade assays in order to reduce their impact and influence on the grade estimation procedure. Log probability plots and coefficient of variation analysis was used to determine top cuts. Swath plots on both a RL and easting basis were plotted to compare the block model grades to the raw composite grades.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Tonnages are determined on a dry basis.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	Cut off grades are quoted at 0.5g/t for open pit resources within a $2,000 pit shell for Smarts and Hicks and 1g/t for resources outside the $2,000 pit shells. The pit shell parameters and cut-off grades were based on current operating costs. The cut-off for ore is 0.86 g/t for Hicks, Larken, Spearpoint and Smarts pits.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	Both the Smarts and Hicks pits are in operation and mining factors and parameters from these operations have been used for estimating reserves at Larken and Spearpoint open pits..
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	The Karouni project is in operation. All actual operating parameters and costs have been considered

Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	All operating permits have been received and the Company is in compliance.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	Bulk densities were based on measurements taken from diamond drill core. Measurement was by the water immersion and displacement method. Several thousand measurements have been taken (4,366 in Smarts). Densities were assigned to weathering domains, Overburden (1.82t/m^3), Oxidised (Mineralised 1.82t/m^3, Waste 1.71t/m^3) Transitional (Mineralised 2.29t/m^3, Waste 2.43t/m^3) and Fresh (Mineralised 2.76t/m^3, Waste 2.86t/m^3). Goldstar, Larken and Spearpoint have used density data from similar rock types at Smarts. Oxidised material is 1.8t/m^3, transitional 2.3t/m^3 and fresh 2.7t/m^3.
Classification	The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data. Whether the result appropriately reflects the Competent Person's view of the deposit.	Classification is based on confidence of the geological interpretation. This is in turn based on confidence in the geological model and the drill spacing. Number of drill holes, number of samples and average distance of samples used in the estimation was also used as a consideration Appropriate account has been taken of all relevant factors. The result appropriately reflects the Competent Persons view of the deposit.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates	The Hicks 1, 2, 3 and Smarts 3 was carried out and verified by Company personnel. Smarts 1, 2, & 4 was carried out by a consultant and verified by the Company
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The accuracy and confidence level of this Mineral Resource estimate for Smarts and Hicks deposits is evident in the classification and reporting as per the 2012 JORC Code and is deemed appropriate by the Competent Person. The statement relates to global estimates. Relevant tonnages have been stated separately. Historically, the Hicks deposits have reconciled well with the estimates. On the other hand, the previous modelling of Smarts has underestimated the ounces and overestimated the tonnes by a significant amount on a consistent basis. The reconciliation in Smarts has however reversed in the first half of calendar 2018 with the pit producing more ounces than the model.

Section 4 Estimation and Reporting of Ore Reserves		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	The Mineral Reserve estimate is based on the Mineral Resource estimate, the details of which have been released with this announcement. Mineral Resources are inclusive of Ore Reserves
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	The competent person/s have visited the site numerous times and inspected the mine site area.
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	Karouni is in operation
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	Cut off grades for mining were determined from actual operating costs. These were based on operating experience Ore is above 0.86g/t for both Hicks and Smarts. and mineralised waste is above 0.5g/t.
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre- strip, access, etc. The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre- production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods.	Karouni is in operation. Results disclosed are based on actual mining and geotechnical parameters. Mining dilution is 10% Mining recovery is 95% The minimum mining width considered was 2m Inferred Resources are not considered in mining. All infrastructure is in-place.
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. Any assumptions or allowances made for deleterious elements. The existence of any bulk sample or pilot scale	Karouni is in operation. The metallurgical performance of the plant has generally exceeded the pre-productions studies Actual operating costs and recoveries used in determining the cut-off.

	test work and the degree to which such samples are considered representative of the orebody as a whole. For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	Site is in operation and has all permits required to operate. The operation is in compliance with all major permit requirements.
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	The infrastructure has been built.
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private.	Operating costs are based on historical costs. All costs are in US dollars An 8% NSR royalty is payable to the Government of Guyana. In addition some parts of the leases also have a 2% NSR royalty payable to other parties. Production has been shipped to refiners without any reported problems.
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co- products.	Reserves calculated at $1,200 per ounce.
Market assessment	The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	Gold is a fungible commodity. No assessment required.
Economic	The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs.	No economic analysis provided. Project is in operation.
Social	The status of agreements with key stakeholders and matters leading to social licence to operate.	No agreements required. Company enjoys excellent relationship with local communities.

Other	To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: Any identified material naturally occurring risks. The status of material legal agreements and marketing arrangements. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	The site is in a tropical location with occasional very high rainfall. It is possible that heavy rain events could result in disruptions to mining outside of normally scheduled disruptions. The Company tries to maintain ore stockpiles at levels to minimise disruptions to processing should this occur. All necessary permits and approvals have been received and are in good standing.
Classification	The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	The Measured Mineral Resource estimate within the Open Pit has been converted to Proven Ore Reserves with the application of appropriate modifying factors. The Indicated Mineral Resources within the Open Pit have been converted to Probable Ore Reserves with the application of appropriate modifying factors. Inferred Mineral Resources have not been considered. Ore stockpiles have been included as Proven Ore Reserves and Measured Resources. These reserves are based on actual tonnages and sampling.
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates	Internal and external reviews have been carried out and agree with previous results. The new models have not been reviewed nor audited by independent consultants/experts.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The accuracy of the estimates is indicated by the Ore Reserve classification. Troy has drilled a considerable number of diamond and RC drill holes into the Open Pit areas and has defined high grade mineralisation for which there is a very good understanding of geological controls and grade distribution. High grade mineralisation had a high degree of predictability during the most recent drilling campaign. Several hundred measurements have been taken of bulk density of mineralisation of varying grades and waste rock of all types. The widths of the ore zones (generally >5m) and the dip (generally >60°) are such that dilution levels of 10% and ore mining loss of 5% are appropriate levels to apply. The Smarts pit has experienced periods of poor reconciliation in the past. This has been caused by several factors including orientation of drill holes compared to high grade mineralised structures, difficult mining and grade control conditions caused by extreme rainfall events and poor geotechnical conditions caused by excessive water inflows into the pit. Recently as the Smarts pit has progressed into fresh rock the reconciliation has significantly improved as mining conditions have also improved.