



TROY RESOURCES LIMITED

ASX ANNOUNCEMENT

16 June 2020

KAROUNI UPDATE

Troy Resources Limited (**ASX: TRY**) (**Troy** or the **Company**) is pleased to provide a brief update as to activities at the Company's wholly-owned Karouni Gold Project, Guyana.

In the March Quarterly Report, the Company announced that trial mining at the Ohio Creek Prospect had commenced.

The initial program saw a 6,000 tonne parcel mined which was subsequently processed through the Karouni plant.

The head grade determined from recovered gold was 2.13 g/t Au which was in reasonable accord with block model calculations for that area of 2.4 g/t Au. The block model grade does not include mining dilution and ore loss and therefore the trial has reconciled well with the anticipated grades. Gold recovery from the trial was estimated at 95%.

A second trial parcel of ore from Ohio Creek is currently being mined using a different grade control method to evaluate the possibility of increasing the head grade of ore delivered to the plant for processing. The very high nugget effect and narrow-vein gold association with very little dispersion at Ohio Creek requires stringent controls to avoid significant dilution.

Accordingly, trial mining to achieve a suitable benchmark on which to determine final methods for mining going forward is prudent. This is likely to take several months.

Elsewhere, mining operations at Karouni continue to focus on ore supply from both Hicks 4 and Larken.

Despite the obvious challenges provided by both the Corona Virus Pandemic and the onset of the rainy season in Guyana, Troy is pleased to advise that gold production is on track with planned targets.

Changes to site rosters and the very strict enforcement of rules in terms of keeping the virus at bay appear to have worked well to date with contingency plans in place in case of any unforeseen events.



Troy's own mining fleet is being supplemented with a contract mining group to accelerate pre-strips at both Hicks 4 and Spearpoint.

Meanwhile, exploration is proceeding on several fronts.

With the return of the diamond drill rig to site, Troy has continued on with deeper drilling at Smarts 3 where the Company has previously delineated a Mineral Resource (all categories) of 3 million tonnes at 3.0 g/t Au for approximately 290,000 contained ounces (refer ASX announcement: 10 October 2019). The purpose of the current campaign is to add to both the size and confidence levels of the Resource with the view to assessing the potential for underground mining at Smarts 3. This approach will also enable recovery of the approximately 30,000 ounces remaining in the open pit should that ore not be recoverable by way of a cut-back.

The Company has recently concluded the first phase of a RC drilling campaign at Gem Creek, with results to be evaluated over the next month or so as they are received from the laboratory.

The RC drill rig has been relocated to Gold Star to undertake infill drilling with the aim of adding to and converting the current Mineral Resource (620,000 tonnes @ 1.3 g/t Au for 25,500 contained ounces) to Reserves.

Following completion of the Gold Star campaign, the RC rig will test a large soil geochemical anomaly at Ohio Creek East, after which it will relocate to Upper Itaki.

This announcement was authorised by the Managing Director, Ken Nilsson

ENDS

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