ASX ANNOUNCEMENT

13 July 2020

JUNE QUARTER PRODUCTION AND EXPLORATION UPDATE, KAROUNI PROJECT

Highlights

Significant exploration results received including:

- At the Smarts Prospect, in drill hole SDD183:
  - **32 m @ 4.29 g/t Au from 168 m including:**
    - **9 m @ 5.50 g/t Au from 172 m, and**
    - **8 m @ 8.33 g/t Au from 190m**
  - **11 m @ 12.36 g/t Au from 251 m including 3 m @ 29.43 g/t Au from 251 m**
  - **8 m @ 15.50 g/t Au from 290 m including 3 m @ 39.07 g/t Au from 290 m**
- At the Goldstar Prospect:
  - In GRC183, **17 m @ 2.21 g/t Au from 3 m including 4 m @ 6.18 g/t Au from 5 m**
  - In GRC179, **6 m @ 10.00 g/t Au from 66 m including 3 m @ 19.58 g/t Au from 66 m**

Troy Resources Limited (**ASX: TRY**) (**Troy** or the **Company**) is pleased to provide an update on production activities at the Company's wholly owned Karouni Gold Project, Guyana, as the Company normally does ahead of the release of the Quarterly (in this case, the June Quarterly) due at the end of July.

Preliminary production for the June Quarter, which will be confirmed in the Quarterly Report, is as follows:

	Apr-20	May-20	Jun-20	Total
Mining				
Total Tonnes Moved (t)	1,103,559	865,959	637,215	2,606,733
Ore Tonnes (t)	47,988	52,041	54,832	154,861
Grade (g/t)	1.10	1.72	1.55	1.47
Milling				
Dry Tonnes Processed (t)	72,795	69,124	72,238	214,157
Ounces Recovered (oz)	1,869	2,957	2,469	7,295

Karouni remains operational in spite of increasing difficulties caused by the Coronavirus situation plus the added impost of the wet season.

Troy has so far been able to maintain a virus free operation in Guyana and remains largely on track in terms of rebuilding production to normal levels.

The Project has in recent times been affected by machinery availability issues with contractor equipment, due primarily to the wet weather which requires additional maintenance and impacts efficiency.

Additional operational information and discussion will be set out in the June Quarterly.

Such are the quality of assay results received from early holes completed at drilling campaigns at both Smarts and Goldstar that, in the interests of an informed market, the Company deems it prudent to also release these at this time.

In respect of the Smarts Prospect, the Company has long recognised the potential for underground development where previous diamond drilling conducted by Troy between 2013 and 2014 intersected several significant high-grade gold zones at depth.

Indeed, the Company has previously delineated a Mineral Resource (all categories) at Smarts Underground of 3 million tonnes at 3.0 g/t Au for approximately 290,000 ounces (refer ASX announcement: 10 October 2019).

The original Smarts mining studies considered underground mining as part of early Karouni production profile. However, deeper infill diamond drilling carried out by Troy indicated the geological interpretation was more complex than had been modelled by previous owners.

Consequently, Troy removed the Smarts Underground from the production profile with plans to reinvigorate it once the Smarts Pit was mined and the geological knowledge of the deposit was increased.

It is now known that the initial drilling in parts of Smarts were drilled sub-parallel to a series of vertical, north-south quartz veins.

As set out in the recent 16 June 2020 Karouni Update, the Company recently recommenced diamond drilling targeting mineralisation beneath the Smarts Pits.

This latest program has been oriented towards the east rather than the original north-east to enable the drilling to intersect the vein sets perpendicularly.

Assay results from the first hole drilled – SDD183 – are spectacular, and include:

- **32 m @ 4.29 g/t Au from 168 m including:**
  - **9 m @ 5.50 g/t Au from 172 m, and**
  - **8 m @ 8.33 g/t Au from 190 m**
- **11 m @ 12.36 g/t Au from 251 m including 3 m @ 29.43 g/t Au from 251 m**
- **8 m @ 15.50 g/t Au from 290 m including 3 m @ 39.07 g/t Au from 290 m**

A long section illustrating key intersections at the Smarts Underground, including previous holes from the 2013/14 campaign and new hole SDD183, is set out in Figure 1:

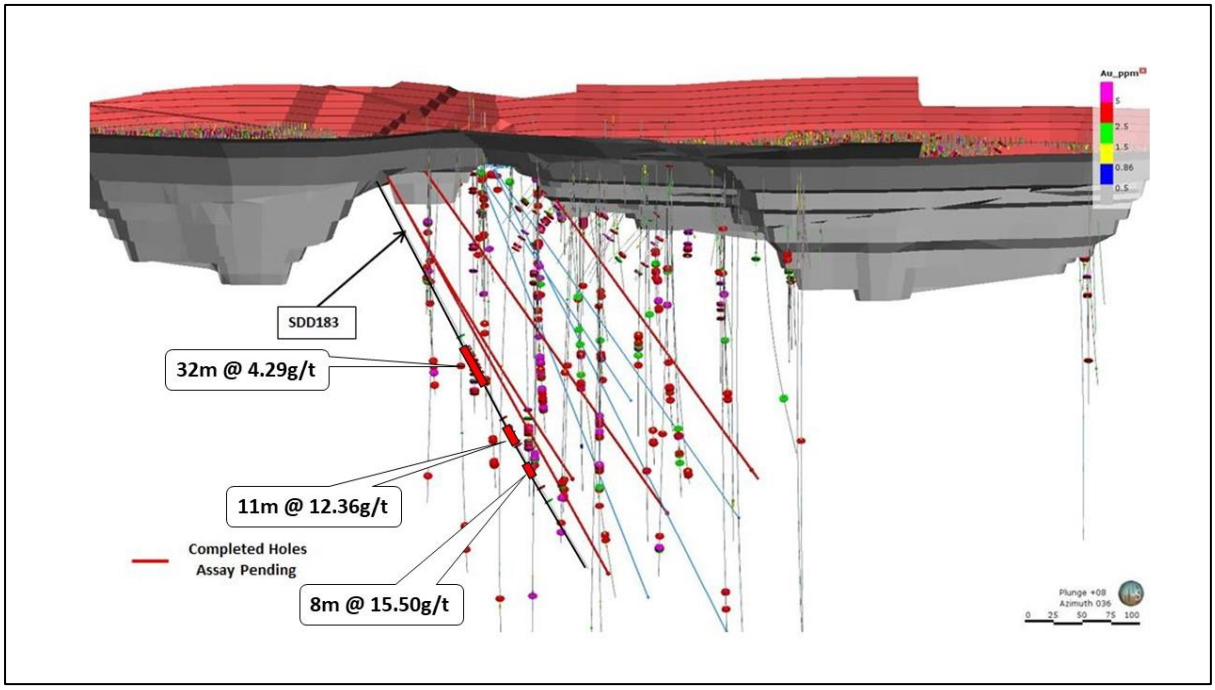

Figure 1 – Long-section at Smarts Underground illustrating key intersections, including new hole SDD183.

The diamond drilling campaign at Smarts is continuing with five of eight holes having been completed.

Further results will be released to the market as and when received.

The program to infill drill Smarts Underground with a view to developing a block model is still on track to be completed by the end of August. This will include holes drilled to gather geotechnical data for incorporation in the modelling.

As also set out in the 16 June Karouni Update, the Company recently commenced an infill reverse circulation drilling campaign at the shallow, shear-hosted Goldstar Prospect.

At Goldstar, the Company has previously delineated a Mineral Resource of 620,000 tonnes at 1.3 g/t Au for 25,500 contained ounces.

The present campaign has as its aim to improve the drilling density, currently based on 200 to 400m spaced lines, and geological knowledge of Goldstar with the objective of enabling an upgraded Resource to be estimated.

Situated close to the existing haulage road from Ohio Creek to the Karouni Mill, early development of Goldstar would likely occur upon the upgrade of Resources to Reserves.

To date, assay results have been returned from the current campaign at Goldstar from 7 holes from 35 holes drilled.

Outstanding results include:

- In GRC183, **17 m @ 2.21 g/t Au from 3 m including 4 m @ 6.18 g/t Au from 5 m**
- In GRC179, **6 m @ 10.00 g/t Au from 66 m including 3 m @ 19.58 g/t Au from 66 m**

A map of Goldstar illustrating key intersections, including GRC183 and GRC179, as well as previous hole GRC131, is set out in Figure 2:

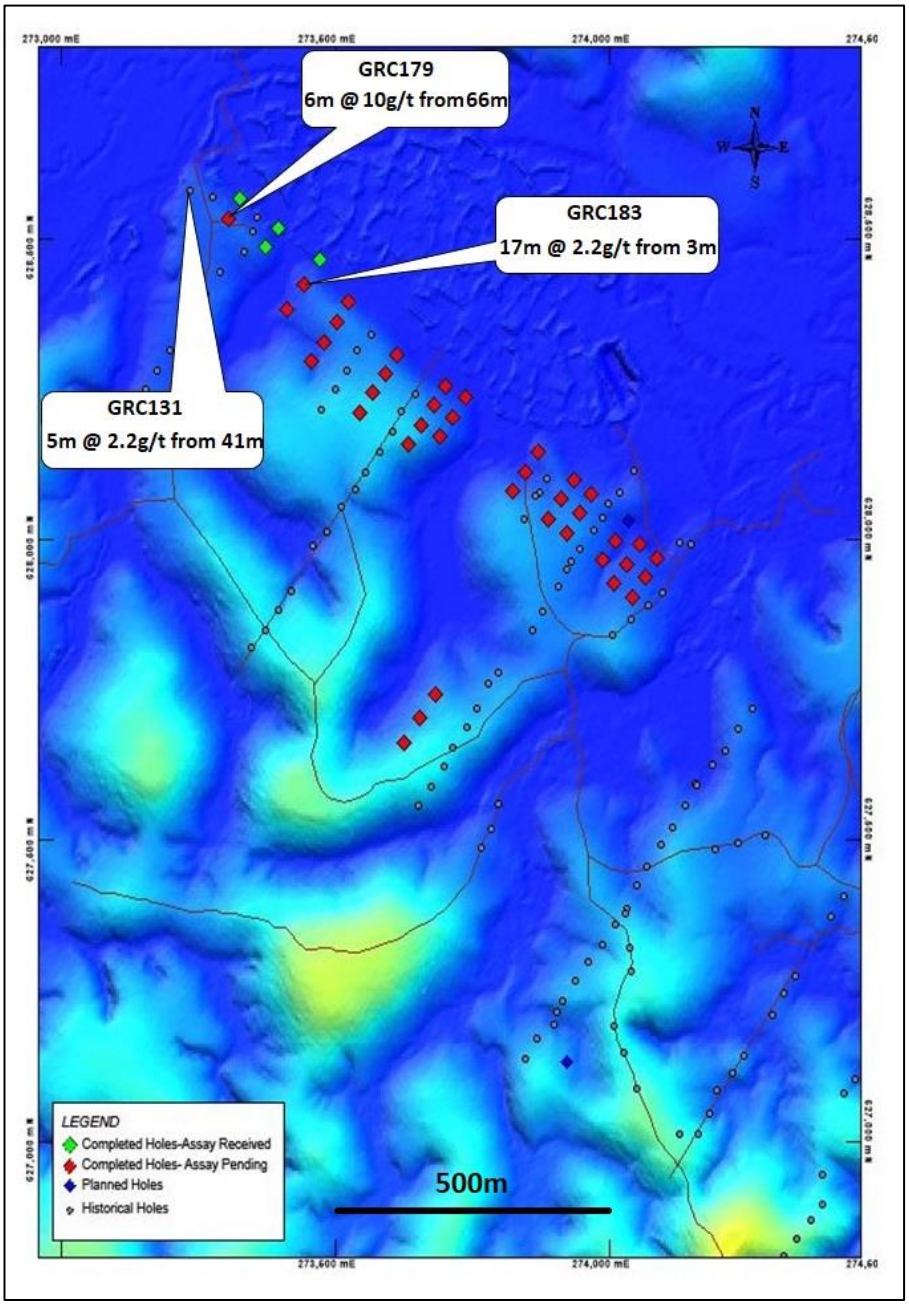

Figure 2 – Map of Goldstar illustrating key intersections.

Further results at Goldstar will be released to the market as and when received.

This announcement has been authorised for release by the Managing Director, Ken Nilsson

ENDS

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Richard Maddocks, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr. Maddocks is employed as an independent consultant to the Company. Mr. Maddocks has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr. Maddocks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The information contained in this report referring to Exploration Results at Goldstar is extracted from the announcements entitled "Exploration Update" released on 23 January 2017, "Exploration Update" released on 26 April 2017. The information contained in this report referring to Exploration Results and Underground at Smarts is extracted from the announcements entitled "West Omai Preliminary Economic Assessment and Scoping Study" released on 21 January 2014, Quarterly Activities Report released on 28 April 2014, 29 July 2014 and 30 October 2014 all of which are available to view on www.troyres.com.au or the ASX website under the company code TRY.

Table 1 – Smarts Diamond Core Drilling Results

Smarts Diamond Core Drilling results							
Hole	**Easting**	**Northing**	**Elevation (m)**	**Depth (m)**	**Azimuth**	**Dip**	**Significant Gold Assay Intervals**
SDD183	270569	621935	57	395	125	-62	**4m @ 1.64g/t gold from 159m** **32m @ 4.29g/t gold from 168m** **incl 9m @ 5.50g/t gold from 172m, and** **incl 8m @ 8.33g/t gold from 190m** **5m @ 1.97g/t gold from 204m** **11m @ 12.36g/t gold from 251m** **incl. 3m @ 29.43 g/t gold from 251m** **5m @ 1.65g/t gold from 266m** **8m @ 15.50g/t gold from 290m** **incl. 3m @ 39.07 g/t gold from 290m** **2m @ 4.75g/t gold from 310.5m** **3m @ 0.96g/t gold from 324m**
SDD184	270578	621931	57	300.5	123	-62	results pending
SDD185	270605	621912	59	366.5	122	-55	results pending
SDD186	270687	621869	60	337.5	130	-55	results pending
SDD187	270580	621930	60	420.5	128	-62	results pending

Table 2 – Goldstar RC Drilling Results

Goldstar RC Drilling results							
Hole	**Easting**	**Northing**	**Elevation (m)**	**Depth (m)**	**Azimuth**	**Dip**	**Significant Gold Assay Intervals**
GRC178	273327	628567	55	122	35	-55	**1m @ 0.85g/t gold from 26m** **1m @ 0.51g/t gold from 60m**
GRC179	273304	628534	61	82	35	-56	**2m @ 3.62g/t gold from 44m** **6m @ 10.00g/t gold from 66m** **Incl. 3m @ 19.58 g/t gold from 66m**
GRC180	273385	628518	53	118	35	-56	**NSI**
GRC181	273374	628485	58	82	35	-57	**NSI**
GRC182	273464	628459	53	82	35	-56	**1m @ 2.98g/t gold from 22m** **3m @ 0.58g/t gold from 39m**
GRC183	273442	628424	58	82	35	-55	**17m @ 2.21g/t gold from 3m** **Incl. 4m @ 6.18 g/t gold from 5m** **3m @ 0.77g/t gold from 23m**
GRC184	273411	628382	55	82	35	-55	**NSI**
GRC185	273524	628393	57	118	35	-54	results pending
GRC186	273456	628296	61	94	35	-56	results pending
GRC187	273478	628328	60	82	35	-55	results pending
GRC188	273502	628361	64	82	35	-55	results pending

GRC189	273611	628306	59	118	35	-56	results pending
GRC190	273590	628277	66	82	35	-55	results pending
GRC191	273567	628244	70	106	35	-54	results pending
GRC192	273544	628211	74	88	35	-53	results pending
GRC193	273678	628223	64	88	35	-55	results pending
GRC194	273655	628190	70	82	35	-56	results pending
GRC195	273632	628157	71	100	35	-54	results pending
GRC196	273737	628236	54	100	35	-54	results pending
GRC197	273714	628204	60	82	35	-55	results pending
GRC198	273701	628255	54	112	35	-55	results pending
GRC199	273691	628173	63	82	35	-53	results pending
GRC200	273681	627743	66	82	35	-56	results pending
GRC201	273654	627704	67	82	35	-56	results pending
GRC202	273625	627662	70	82	35	-55	results pending
GRC203	273836	628112	55	100	35	-55	results pending
GRC204	273810	628082	64	100	35	-55	results pending
GRC205	273932	628100	57	118	35	-55	results pending
GRC206	273909	628073	62	88	35	-55	results pending
GRC207	273886	628049	64	100	35	-55	results pending
GRC208	273958	628081	58	100	35	-55	results pending
GRC209	273945	628054	63	88	35	-55	results pending
GRC210	273871	628147	56	94	35	-54	results pending
GRC211	273924	628014	66	112	35	-54	results pending
GRC212	274007	628003	57	88	35	-56	results pending
GRC213	273978	627970	60	112	35	-55	results pending
GRC214	274049	627990	56	112	35	-56	results pending
GRC215	274033	627968	57	88	35	-55	results pending
GRC216	274010	627934	60	82	35	-55	results pending
GRC217	274087	627971	55	94	35	-56	results pending
GRC218	274060	627937	59	82	35	-55	results pending
GRC219	274040	627904	62	82	35	-55	results pending

Appendix 1: JORC Table

Guyana 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 specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole 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 pulverized to produce a 50 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 Drilling program Goldstar and Smarts commenced in May 2020 and is continuing. To the date of this announcement a total of 36 RC holes for 3,412m has been completed at Goldstar and 5 Diamond core holes for 1,820m at Smarts. A sample interval of 1m has been selected for the RC drilling. This sample spacing ensures a representative sample weight is collected at a scale sufficient to define geological and mineralisation boundaries. The use of a 1m sample interval was selected after consideration of the following: • Consideration of previous sampling methodology. • The RC drilling method and sample collection process for current drill campaigns. • A representative sample weight suitable for transport, laboratory preparation and analysis. • The lithological thickness of the White Sands Formation and underlying basement lithology. • A mineralisation zone thickness ranging from several metres to tens of metres. • Suitability for statistical analysis. A standard sample length ensures all assay results are treated on equal support when reviewing assay statistics (before sample compositing for geostatistical analysis and resource estimation). Trench samples were collected from approximately 2m beneath the natural surface. Samples were taken at 1m or 2m intervals from the NW wall. 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. QA/QC procedures were completed as per industry best practice standards (certified blanks and standards and duplicate sampling). Diamond drilling (DDH) is sampled nominally at 1m intervals but is sampled to geological boundaries where practical to do so. Core is sawn in half with one half dispatched for assay. Samples were dispatched to Actlabs in Georgetown, Guyana for sample preparation, where they were crushed, dried and pulverized to produce a sub sample for analysis. Actlabs has a fire assay facility in Georgetown where 50g fire assays, gravimetric finishes and screen fire assays have been conducted.
Drilling	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).	Reverse Circulation "RC" drilling within the prospect area comprises 5.0-inch diameter face sampling hammer drilling and hole depths range from 36m to 120m. Reverse Circulation Rig supplied and operated by Major Drilling of Canada. The diamond drilling is HQ (63.5mm diameter). Core is collected in 3m runs. Split tube barrels are used in weathered areas to maximise core return.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximize 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.	RC and Diamond Core recoveries are logged and recorded in the database. Overall recoveries are >75% for the RC; there are no significant sample recovery problems. A technician is always present at the rig to monitor and record recovery. The diamond core recovery can be poor in weathered horizons and occasionally in deeper shear zones. RC samples were visually checked for recovery, moisture and contamination. 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 geotechnical 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/Trench, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Logging of RC and DDH samples recorded regolith, lithology, mineralogy, mineralisation, structural (DDH only), weathering, alteration, colour and other features of the samples. Chips are taken and stored in plastic chip trays.
Sub-sampling technique 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 maximize representability 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.	RC samples were collected on the rig using a three-tier riffle splitter. Wet samples were initially speared to produce a preliminary sample. The remainder of the wet sample is to be dried and then put through a three-tier splitter for a final sample. Diamond core is sawn in half with an automatic core saw. Half core is submitted for assay. The sample preparation for all samples follows industry best practice. Actlabs in Georgetown, Guyana for sample preparation, where they were crushed, dried and pulverized to produce a sub sample for analysis. Sample preparation involving oven drying, coarse crushing, followed by total pulverization 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 for 1m RC splits using a riffle splitter. The sample sizes are 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 a fire assay analytical method for detection of 5 – 10,000ppb gold with an AAS finish samples exceeding 10,000ppb. No geophysical tools were used to determine any element concentrations used in this report. 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 microns 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 conducted by Actlabs Guyana Inc. and fire assay performed by Actlabs Guyana by 50g fire assay with gravimetric finish for samples greater than 10g/t. 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. The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data.	The Company's exploration manager has verified significant intersections and the competent person has visited the site numerous times between 2013 and 2019. Primary data was collected using a set of company standard ExcelTM templates and Logchief on Toughbook laptop computer using lookup codes. The information was validated on-site by the Company's database officers and then merged and validated into a final data shed database. Review of raw assay data indicated that some missing intervals resulted from low to no recovery it is not necessarily an indication of grade not been present.

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. Trenches have been surveyed with DGPS. 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 infill drill hole spacing at Goldstar is 40m along strike and 200m – 40m across strike. Drilling at Smarts is infilling previous drilling and is drilled on a nominal 40m x 40m spacing although this is variable at different depths.
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.	Most of the data in is drilled to magnetic 035° orientations, which is orthogonal/ perpendicular to the orientation of the mineralised trend. The bulk of the drilling is almost perpendicular to the mineralised domains. Smarts drilling is towards the east to intersect the mineralised north-south quartz veins. 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. Whilst in storage, they are kept under guard in a locked yard. Tracking sheets are used track the progress of batches of samples.

Section 2 Karouni Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Tenement and Land 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 license to operate in the area.	The Karouni Project tenements cover an aggregate area of 211,013 acres (85,394ha), granting the holders the right to explore for gold or gold, diamonds or precious stones. The tenements have been acquired by either direct grant to Troy Resources Guyana Inc. (15,160 acres/6,135ha) or by contractual agreements with Guyanese tenement holders (195,853acres/79,259ha). Apart from the Kaburi Agreement (28,089 acres/11,367ha) which provides for the Company to earn a 90% interest, all other vendor agreements provide the Company with the right to obtain an ultimate interest of 100%. The Karouni Project comprises a single (large scale) mining Licence, 40 (small scale) claim licences, 164 (medium scale) prospecting permits and 44 (medium scale) mining permits. All licences, permits and claims are granted for either gold or gold, diamonds or precious stones. 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 Azimuth 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. Troy acquired the Ohio tenements in September 2018 from the Kaburi Development Company
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Little modern 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 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. Available historic records and data were reviewed by both Troy during Due Diligence prior to the takeover and by Runge as part of the Resource modelling and estimation work. In 1995, on the Ohio Creek prospect, Cathedral Gold Corporation ("Cathedral"), the Canadian listed company that first drilled out and then delineated a mineral resource at the (now) Troy-owned Hicks deposit, undertook a 200 metre x 40 metre auger drilling program. Achieving encouraging results, this program was immediately followed up by Cathedral with a diamond drilling program encompassing 11 diamond holes for an aggregate 1,364 metres drilled (for an average of approximately 124 metres per hole)

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, where 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, Hicks, Goldstar and Larken Zones is associated with a shear zone that transects a sequence of mafic to intermediate volcanic and sedimentary volcanoclastics. 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 the Smarts Deposit 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, seritisation and pyritisation. Visible gold and the majority of gold values typically occur within and along margins of quartz veins, in either silicified granitic porphyries, and in adjacent, carbonate altered and pyritic sheared basalt or in coarser mafic dyke lenses with intensive pyrite alteration. Pyrite is common at up to 5% by volume associated with auriferous quartz veins. Mineralisation is variously accompanied by silica-albite- sericite-chlorite-carbonate-pyrite-tourmaline alteration, while fuchsite is developed within porphyry intrusives in contact with high magnesium basalts and along shear zones. Gold mineralisation at Ohio Creek is associated with an interpreted north west trending shear zone and strong quartz veining in the weathered saprolite profile. The outcropping saprolite on the prepared drill pad shows foliation which is probably derived from sediment. It also confirms the in-situ nature of the formation. The saprolite profile tested during the drilling is typically 50 to 60 metres deep
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.	Intercepts that form the basis of this announcement are tabulated in Tables 1 and 2 in the body of the announcement and incorporate Hole ID, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. Appropriate maps and plans also accompany this announcement.

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 on a weighted average basis. The cut-off grade for reporting mineralization is 0.5g/t gold with a maximum of 2m of internal dilution.
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, sections and 3D views have been included in the text of this document.
Balanced Reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All grades, high and low, are reported accurately with "from" and "to" depths and "drill hole identification" shown. Reporting is balanced
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.	At this stage no other substantive exploration work of data has been completed or reported.
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.	Further work program includes additional drilling, geological modelling, block modelling and ultimately resource estimation depending on the results received.