

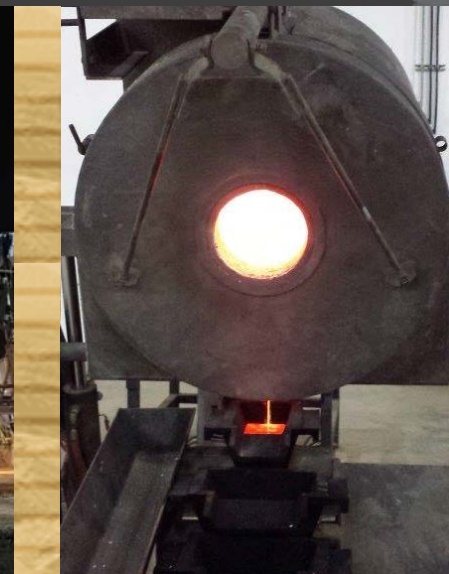


TROY RESOURCES LIMITED

[www.troyres.com.au](http://www.troyres.com.au)

# Investor Presentation

Annual General Meeting, Melbourne  
25 November 2015



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# Board of Directors



## Martin Purvis, Chief Executive Officer & Managing Director

Mining engineer with over 30 years' experience in the Resource Sector. He has worked in a wide range of corporate and operational roles at Executive and Board level, and in a number of multi-national mining houses in a broad range of commodities and been the CEO of both listed and private companies in Australia and Singapore.

**Age 54 ~ 1 year on Board**



## David Dix, Non-Executive Director

Mr Dix's background is in economics and law. He has held various positions with Shell Australia Limited and worked for 16 years in Corporate Advisory at both Macquarie Bank Limited and UBS AG specialising in the mining industry.

**Age 61 ~ 5 years on Board**



## John Jones, Non-Executive Director

John has overseen the development of Troy from a junior Western Australian exploration company in the early stages through to a dividend paying gold producer with operations in Australia and overseas. John has been a prominent player in the gold mining sector for over 30 years with a long list of successes.

**Age 71 ~ 27 years on Board**



## Fred Grimwade, Acting Chairman

Non-Executive Director of Select Harvests Limited, Chairman of CPT Global Limited and is a Principal and Executive Director of Fawcner Capital. He has held general management positions at Colonial Agricultural Company, the Colonial Group, Western Mining Corporation and Goldman, Sachs & Co

**Age 57 ~ 5 years on Board**



## Ken Nilsson, Executive Director Project Development

Over 35 years international mine construction and production experience. Ken was responsible for the construction and development of Troy's Western Australian operations at Sandstone and subsequently oversaw the building of the Sertao Mine in Brazil. Ken has also managed the development of Andorinhas, Casposo and now Karouni.

**Age 75 ~ 18 years on Board**



## Richard Monti, Non-Executive Director

Gained broad experience over a 26 year career working in the technical, commercial, marketing and financial fields of the international exploration and mining industry. Mr Monti left Ventnor Capital in 2010 primarily to spend more time at Azimuth Resources Ltd which was subsequently taken over by Troy Resources in 2013.

**Age 51 ~ 2 years on Board**





# Key Company Data



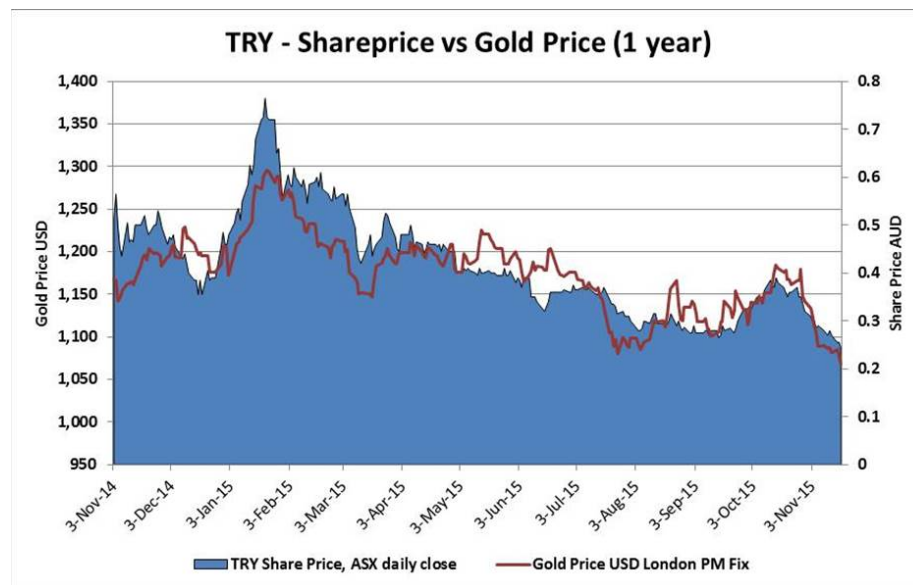
## Summary (A\$)

Shares on issue	290.1m
Options and other unlisted securities	12.2m
Share price (24 Nov)	\$0.225
Market Capitalisation (24 Nov)	\$65m
Cash (30 Sept)	\$36m
Debt (30 Sept)	\$91m
Net Debt (30 Sept)	\$55m
Enterprise value (24 Nov)	\$120m
Top 20 holders	51%
Average monthly turnover	\$11m
Gold production (annual, average)	100,000oz
Gold hedging (US\$1,101)	75,000oz

## Major Shareholders

Renaissance Smaller Companies	6.3%
Westoz Funds Management	6.2%
Board and Management	5.6%

## TRY – Share Price Performance (1 year)



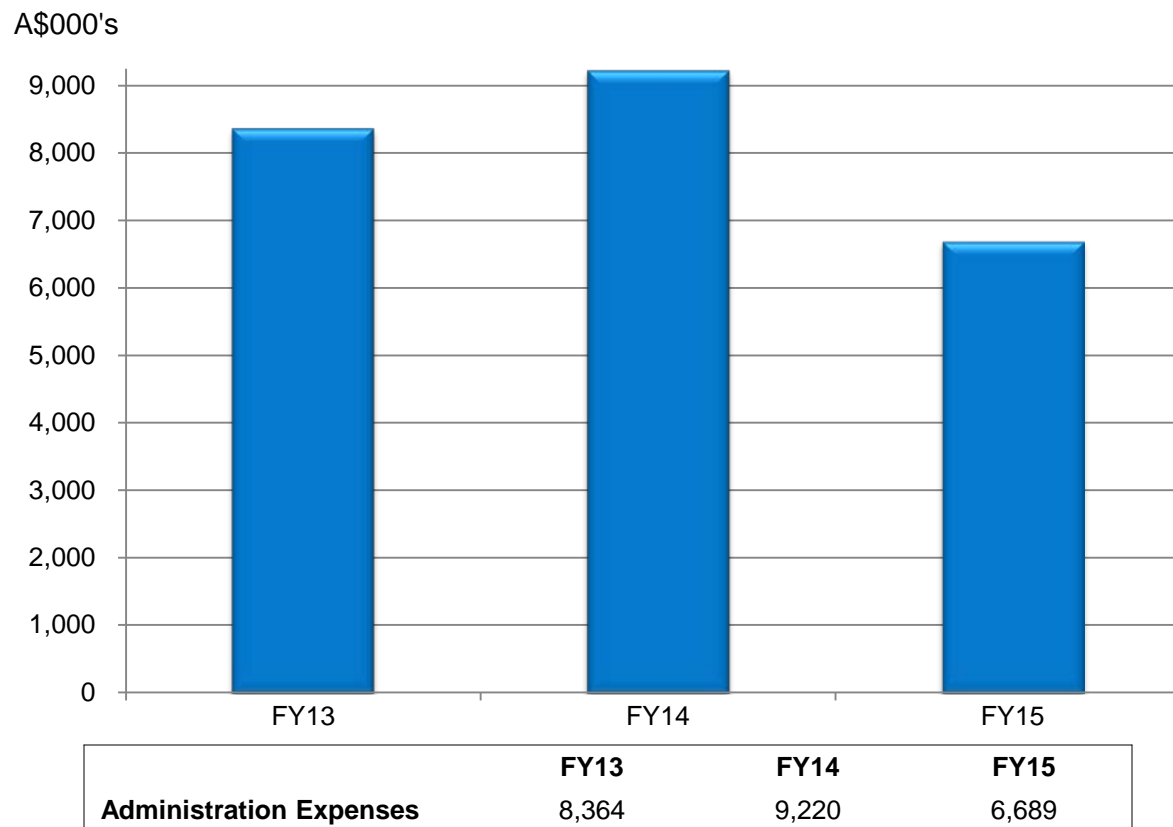


# Focus on Costs



## Administration Expenses

- 27% reduction over the prior year
- Lowest costs in a decade notwithstanding the management and operation of 3 mines in 3 different countries



# Project Locations

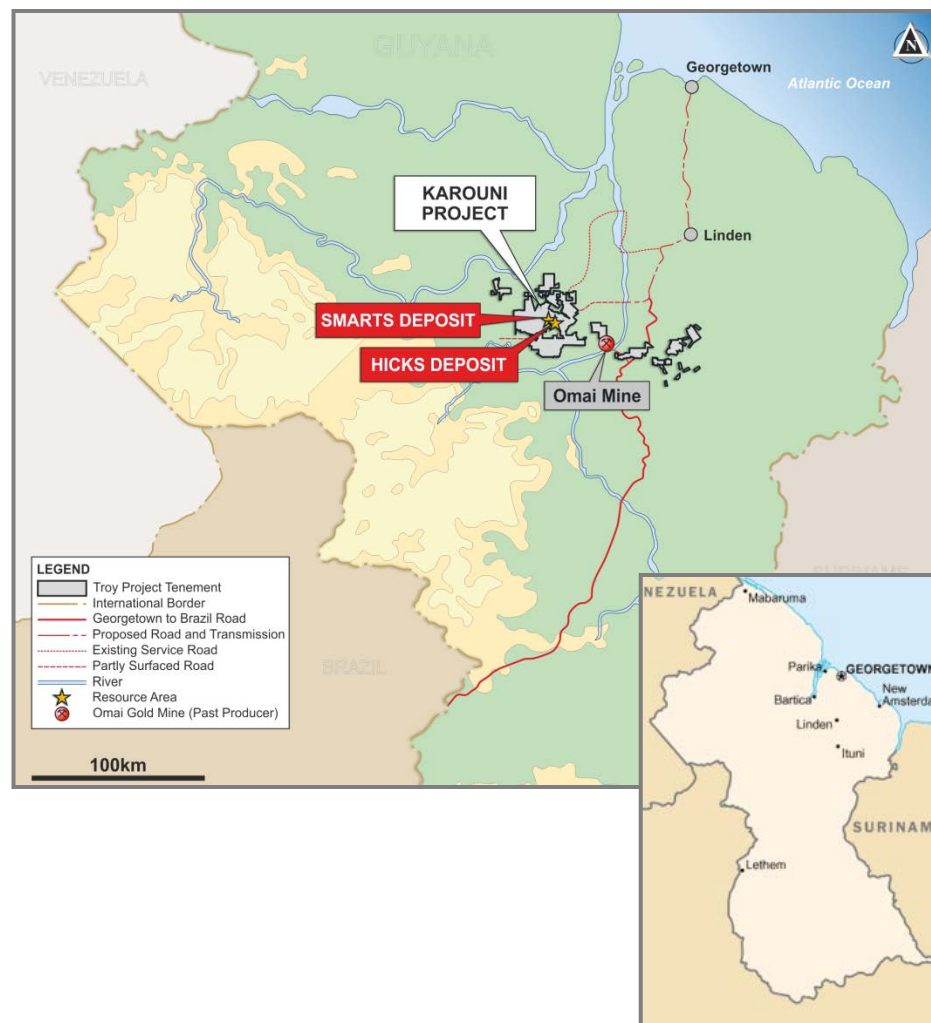


# Karouni – The New Flagship



## Guyana – Country Attributes

- Corporate Tax – 30%
- Royalty – 5-8%
- Population – 740,000 (largely coastal living)
- Community – Caribbean
- Language – English speaking
- Law – British Legal & Parliamentary System
- Mining Act – modern (same principles as Australia)
- Main industries:
  - Agriculture – sugar cane, rice & rum
  - Timber
  - Tourism
  - Bauxite
  - Gold



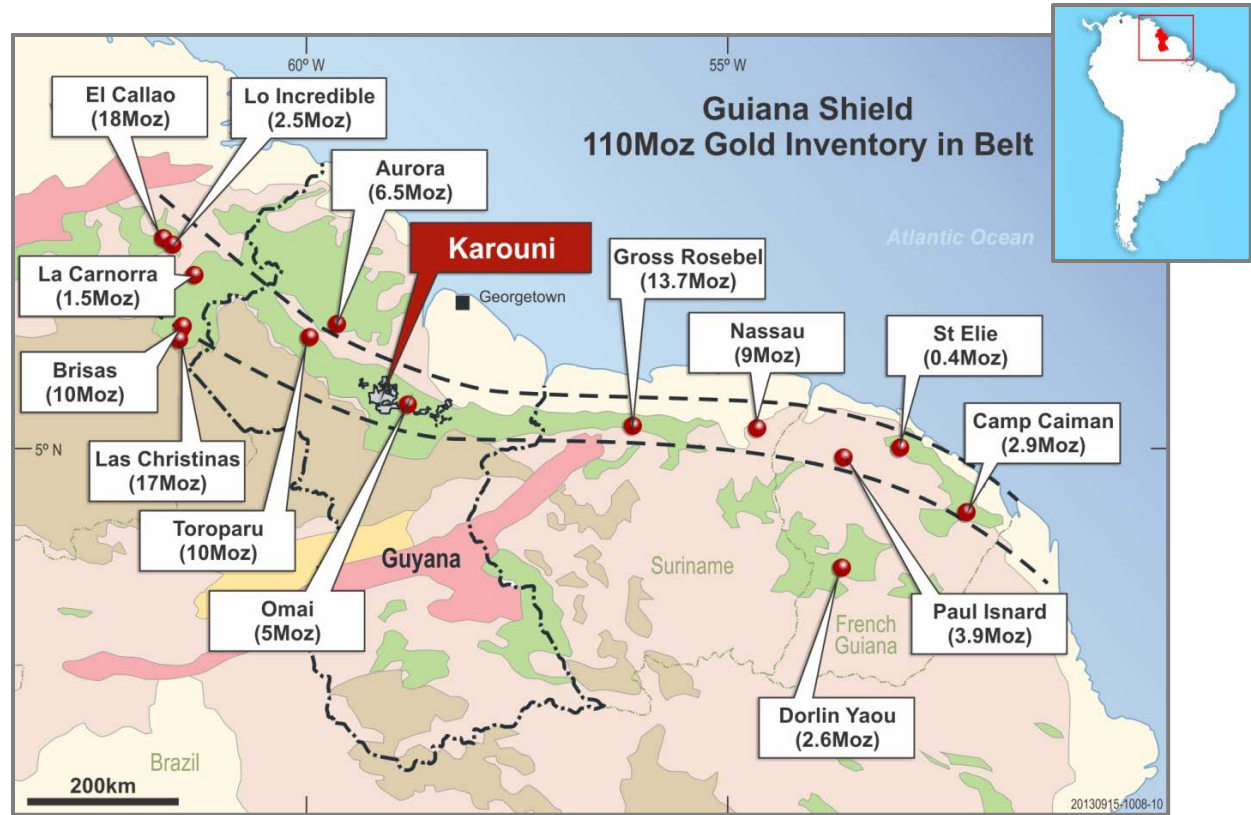


# Guyana – Greenstone Belt



## Geological Setting

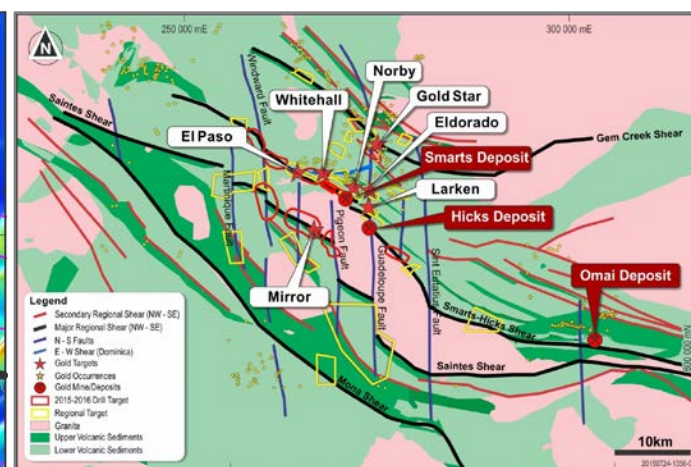
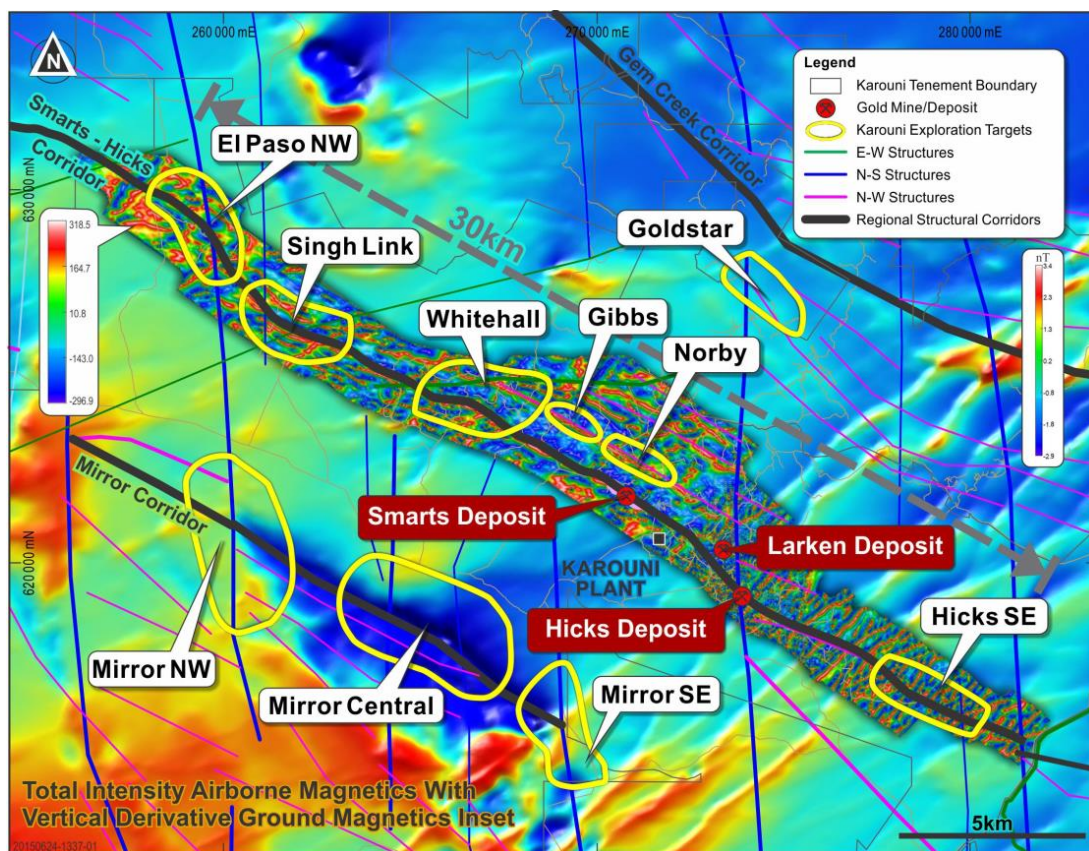
- Geology – greenstone belt
- Prospectivity – high
- Tenement Package – 1,000km belt
- Karouni Structures
  - Style – shear hosted
  - Hosts Rocks – volcanic sedimentary packages
  - Size – 0.5-1.0Moz deposits
  - Shear zones – 10-25m wide
  - Dip – vertical (generally)
  - Grades – 1.5-3.5g/t typical
  - Recoveries – +90% typical (oxide/sulphide via CIL/CIP)
- Aurora
  - Depth – extensions to +1,000m



*“Location, location, location”*

# Karouni Gold Camp – Target Rich Environment

- Operating Pits – Smarts & Hicks
- Early Stage Targets – Smarts (underground), Larken, Spearpoint, Whitehall, Kanhai, Goldstar
- All targets < 15km from Plant





# Karouni – Development Timeline

- Approvals, Drill Out and Infrastructure Construction – 18 months
- Mechanical Construction – 8 months
- Ramp up to steady state Production – 3 months



28 July 2014

First  
equipment  
arrives in  
Georgetown

20 Oct 2014

Troy signs  
Mineral  
Agreement  
with the  
Government  
of Guyana

12 Jan 2015

Troy receives  
finalised  
Environment  
Permit for  
Karouni

9 Feb 2015

Troy receives  
Mining  
Licence for  
Karouni

15 Feb 2015

Civil work  
starts on  
Plant  
construction

May 2015

General  
election and  
change of  
Government  
in Guyana

Aug 2015

Mill and Plant  
completion

Sept 2015

Wet  
commissioning

01-Jun-14

01-Sep-14

01-Dec-14

01-Mar-15

01-Jun-15

01-Sep-15

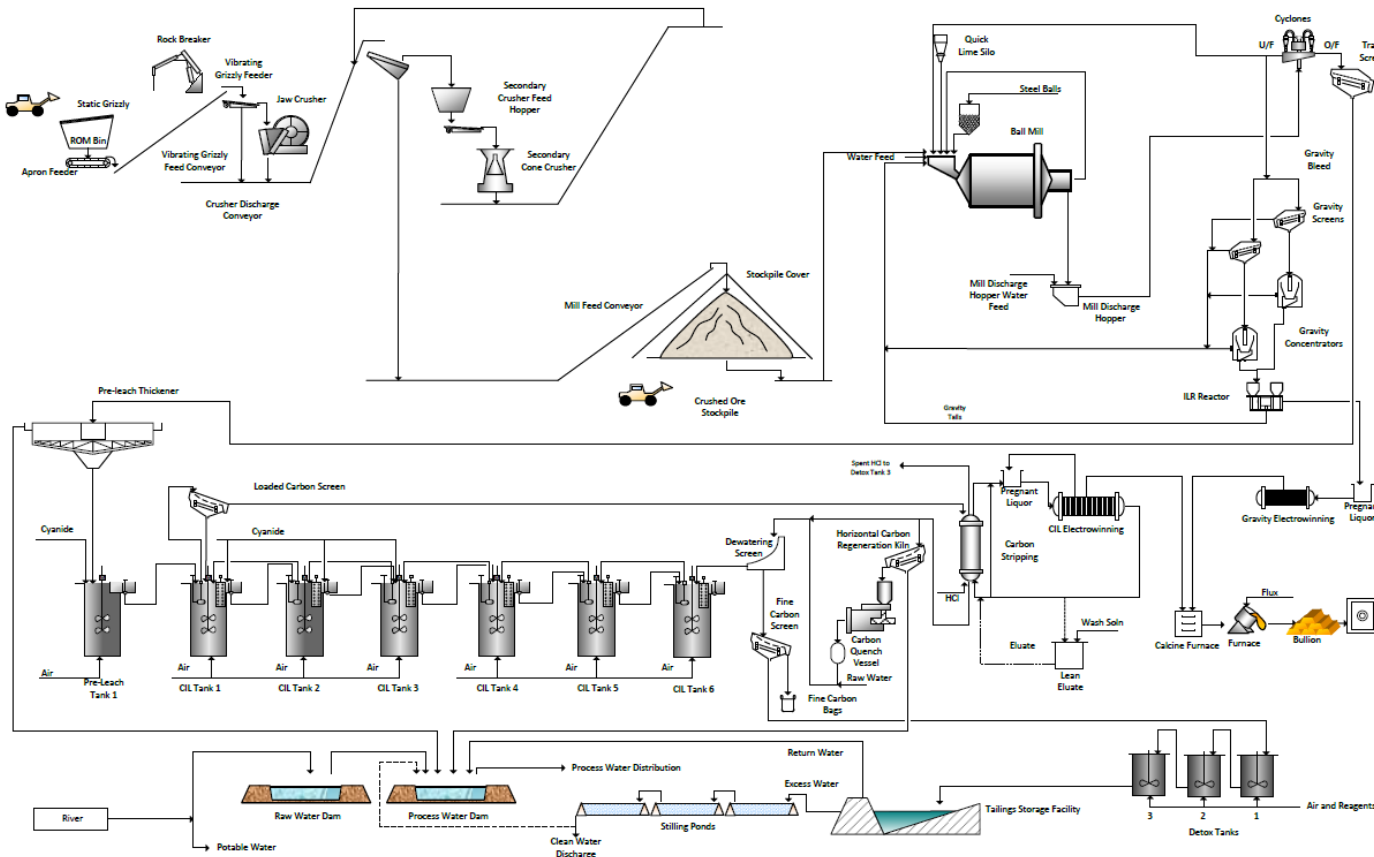




# Process Plant Flow Sheet



- Gravity Circuit – Approximately 50% gold is expected to be recovered from the gravity circuit
- Nominal Capacity – 80,000 tpm





# Ready to Go!

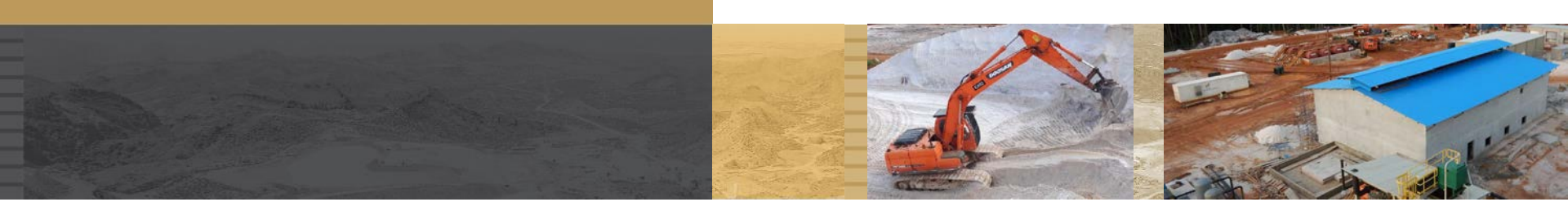


# Karouni – Key Metrics



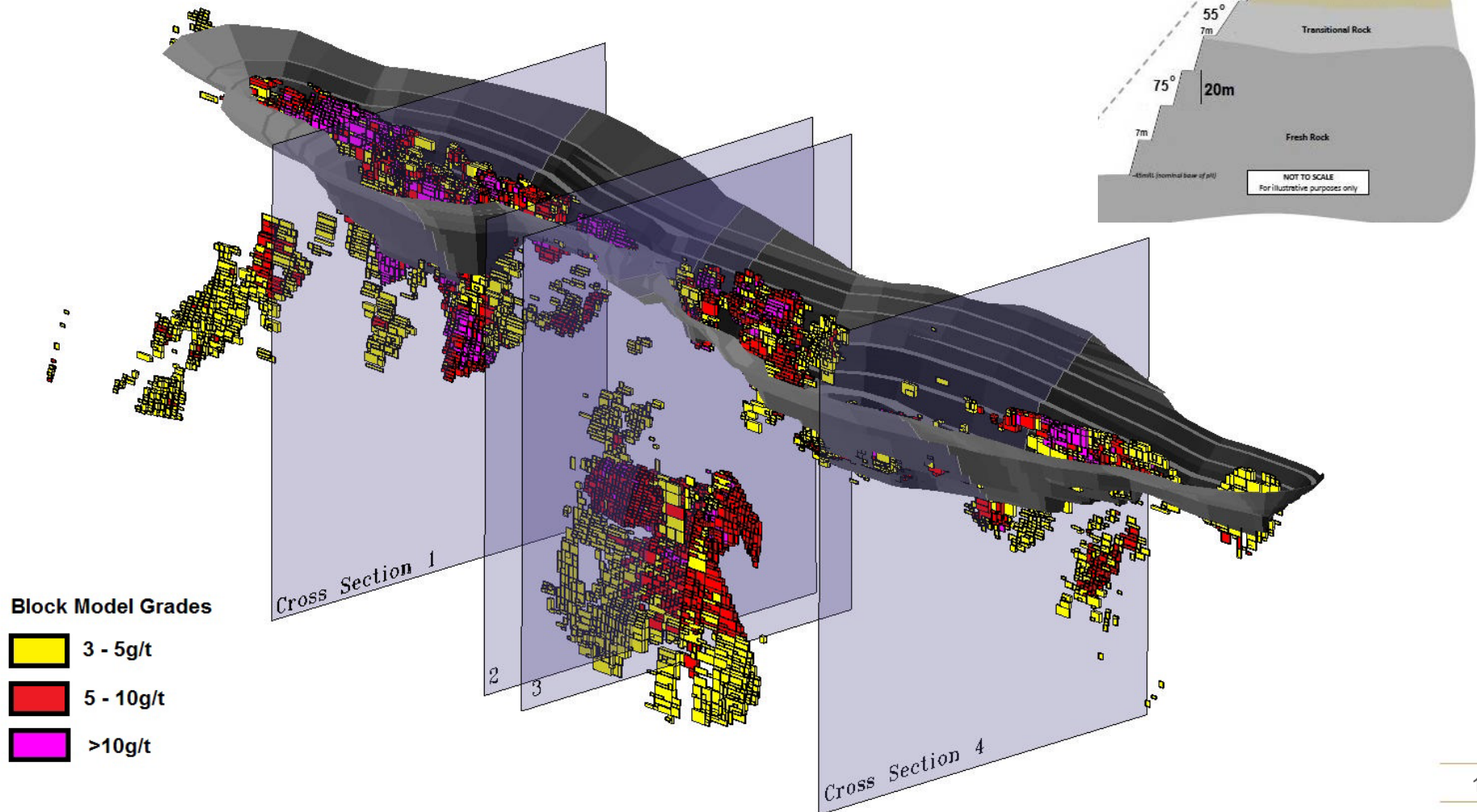
- Throughput – 1Mtpa plant (gravity circuit + CIL)
- Production – ~100,000ozpa based on an initial 3-4 year open cut mine
- Life extensions – Underground potential + over 30 targets identified over a 60km structural corridor
- Recoveries – 94%
- Cash costs – ~US\$630/oz (AISC at “steady state”)
- Build cost – ~ US\$70M (plant & infrastructure)
- Smarts – 1.774Mt @ 4.70g/t (68% of reserves)
- Hicks – 0.840Mt @ 2.02g/t (32% of reserves)
- Drilling – Approximately 90% of Karouni drilling in 2013, 2014 and 2015 has been focussed Reserve & Resource definition drilling at Smarts & Hicks
- Outlook – Expanding mine life will now focus on Smarts/Hicks extensions and (over 30) regional targets



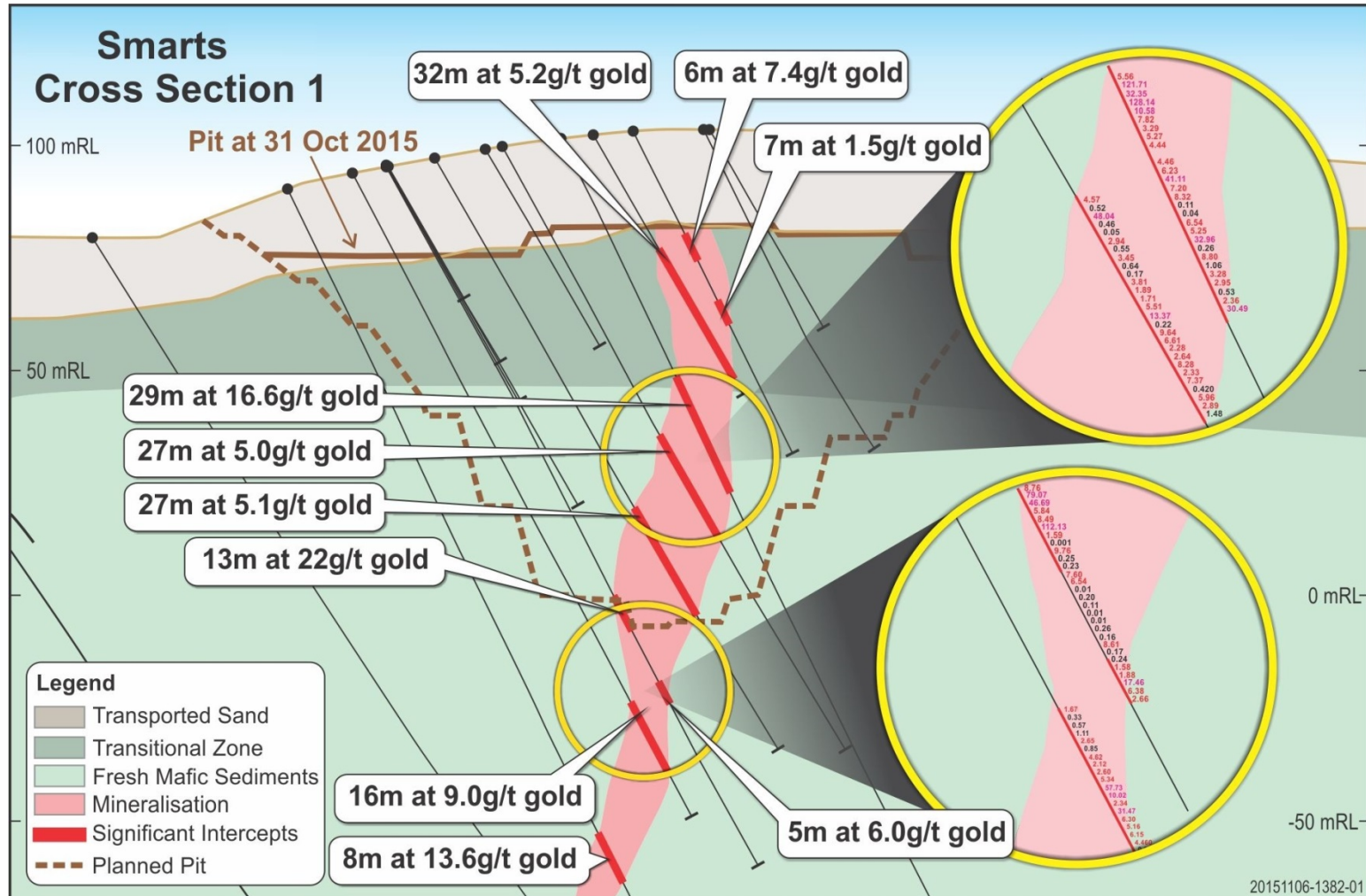


# Smarts

# Smarts Pit – Longitudinal Section

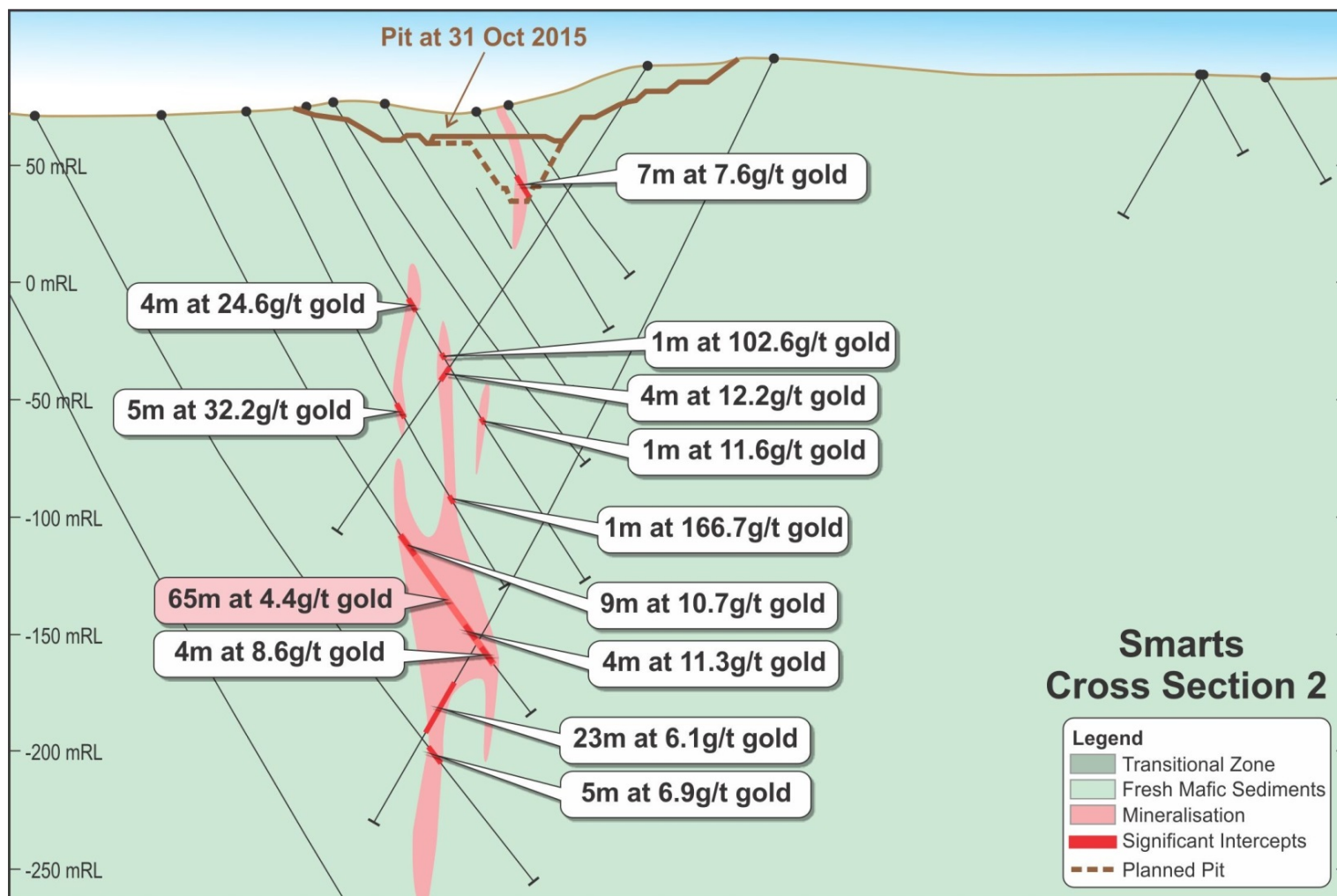


# Smarts Pit – Section 1

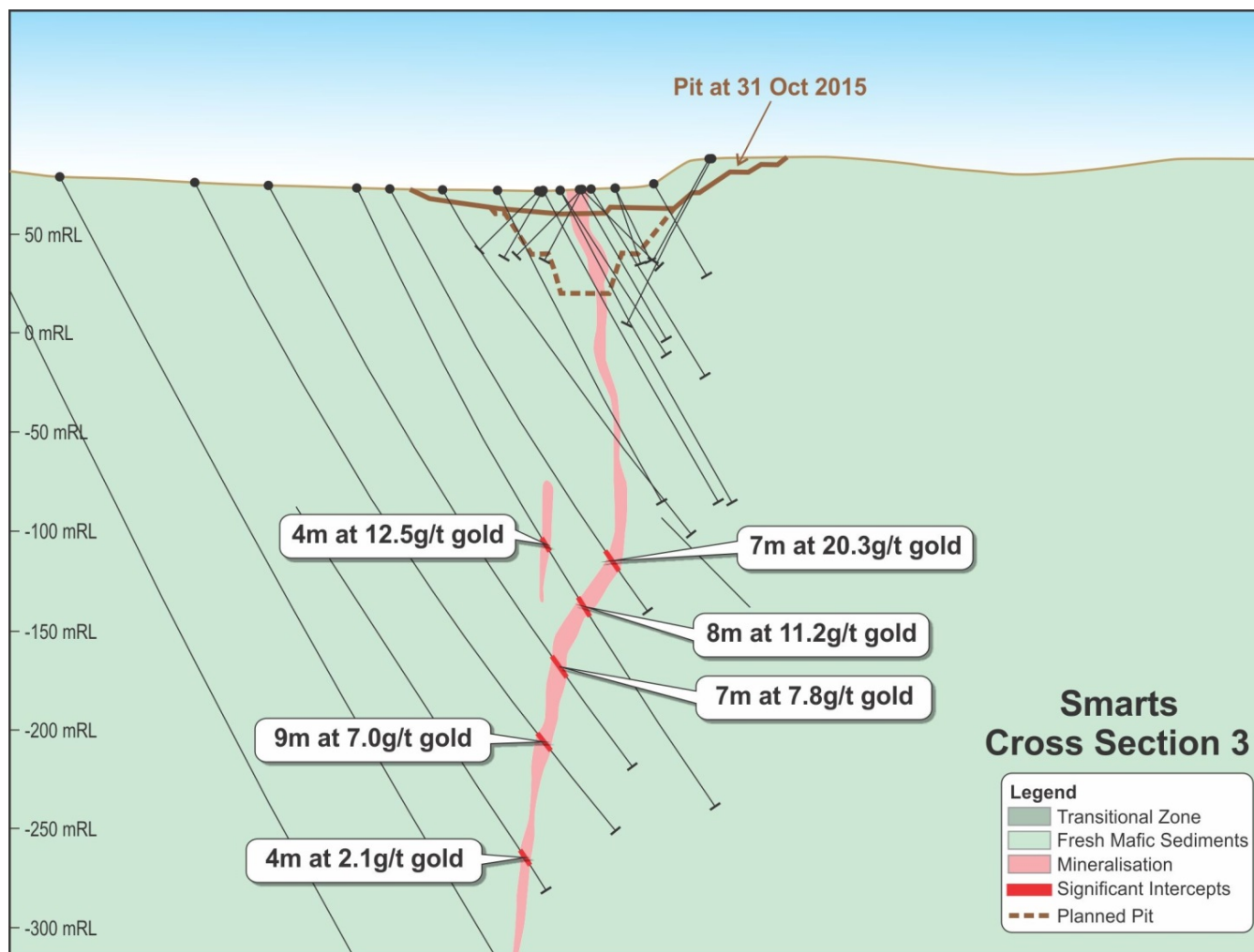




# Smarts Pit – Section 2

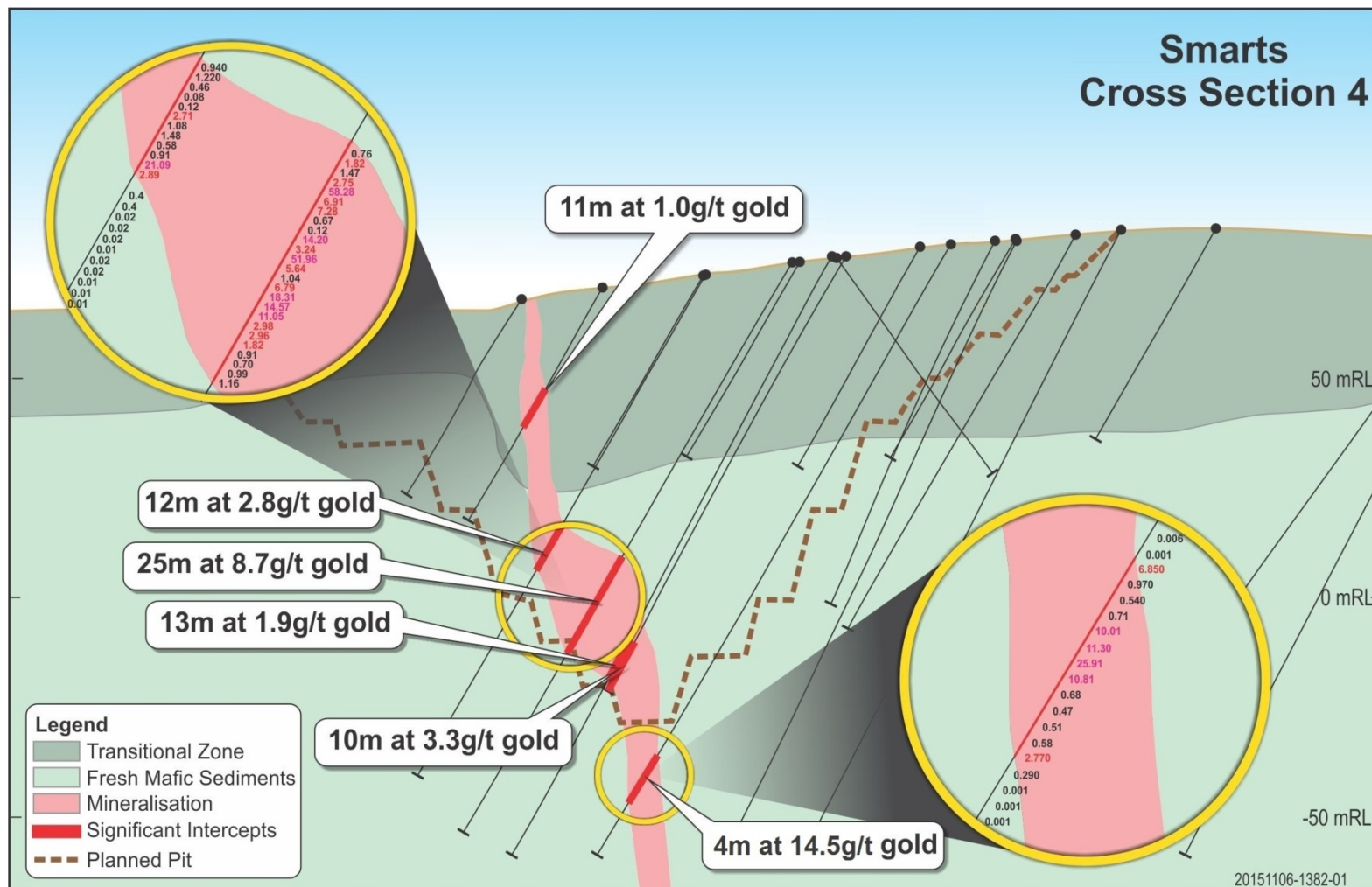


# Smarts Pit – Section 3





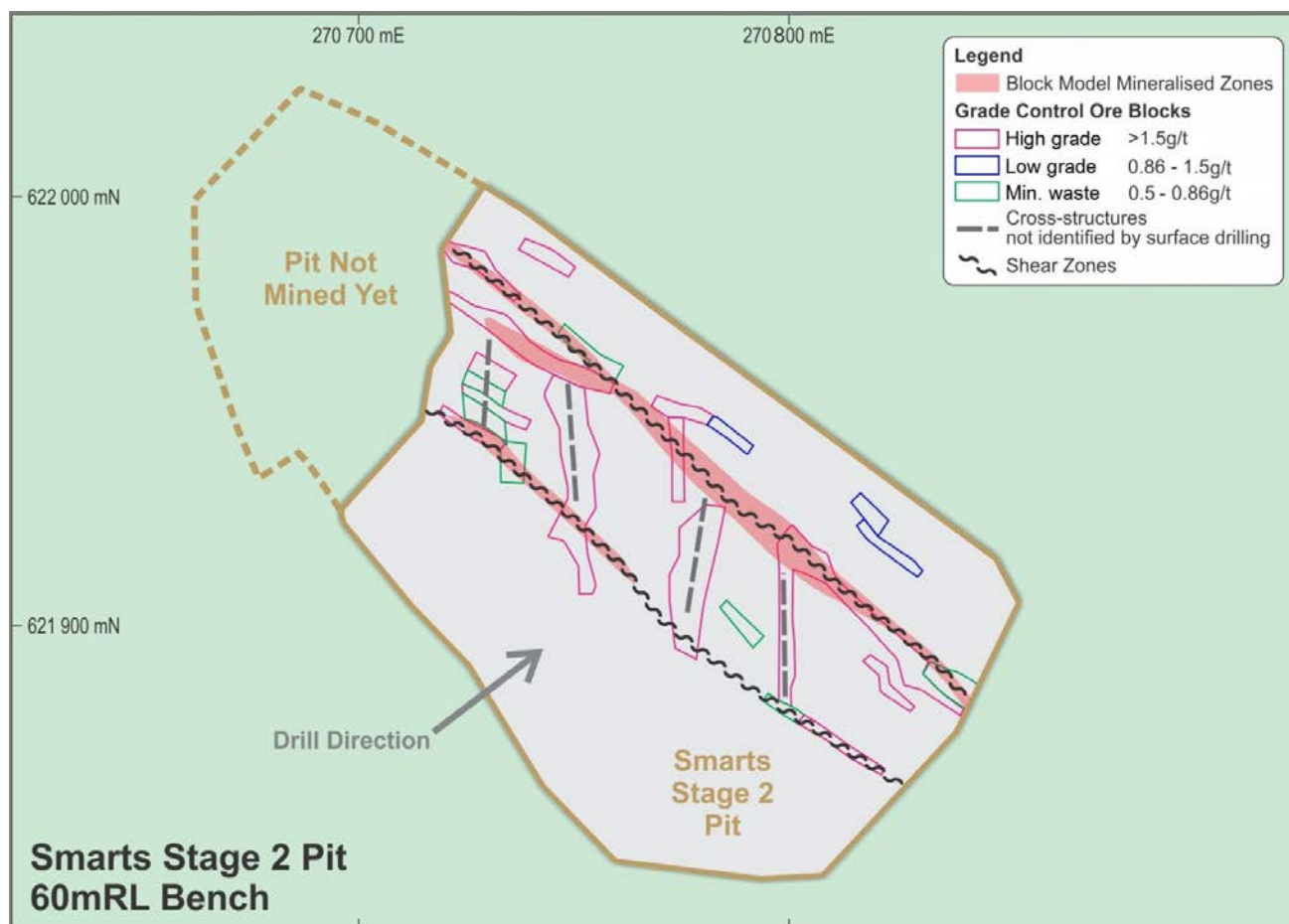
# Smarts Pit – Section 4



# Smarts Pit – Stage 2



- Initial grade control drilling in the Smarts pit has revealed N-S mineralised structures not previously modelled.

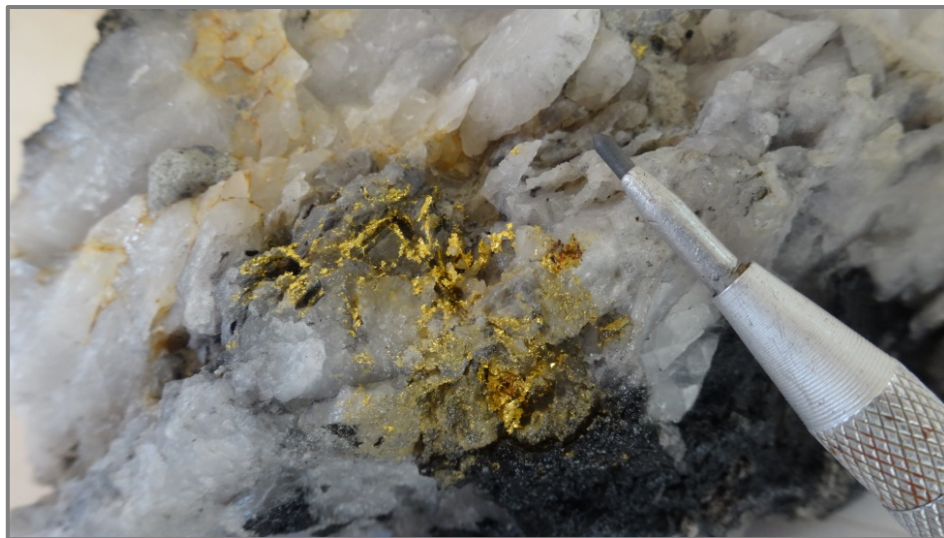
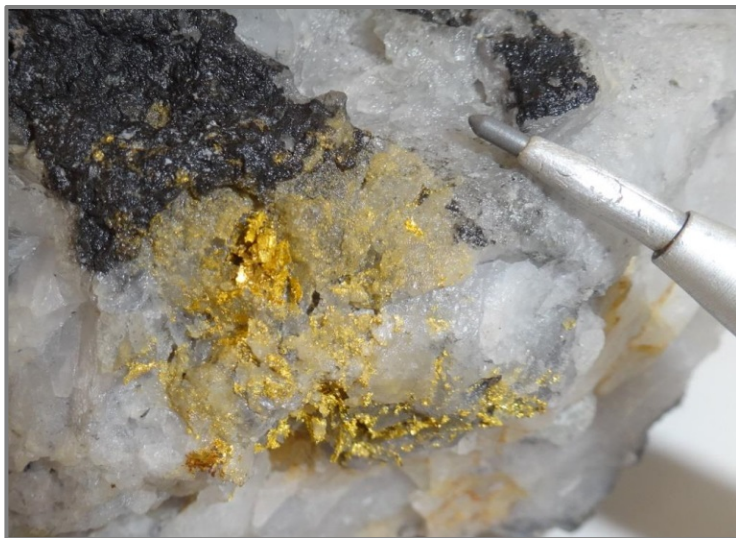




# Smarts Pit – Visible Gold



- High grade quartz veins with coarse visible gold contained in North-South structures in Smarts Pit



# Smarts Pit – Positive Reconciliation



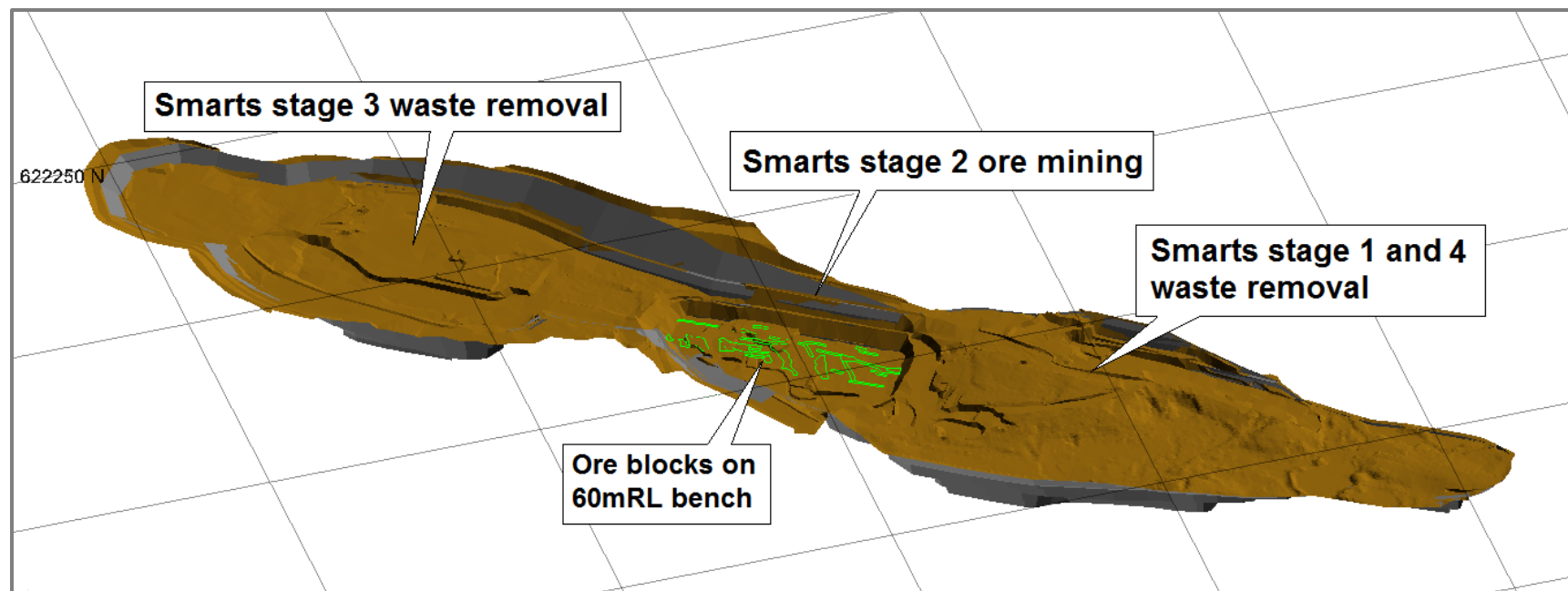
- Positive Reconciliation – Recorded in the early stages of mining from Smarts stage 2 (tonnage and ounces based)
- This is mainly due to the previously un-modelled N-S mineralised zones that link the main Smarts shear zones
- This may have implications deeper in the deposit where there are many high grade drill intersections that previously haven't been able to be incorporated into the model due to lack of geological understanding

Block Model Reserve	14,720t @ 4.25g/t	2,011oz
Additional Ore Mined outside Reserve	40,644t @ 1.91g/t	2,492oz
<b>Total Ore Mined</b>	<b>55,364t @ 2.53g/t</b>	<b>4,503oz</b>

# Smarts Pit – Positive Reconciliation



- The significant positive reconciliation realised in Smarts Stage 2 represents only a small part of the total Smarts Ore Reserve
- Ongoing reconciliation performance will be monitored closely as mining ore commences shortly in the high grade Smarts Stage 3 pit

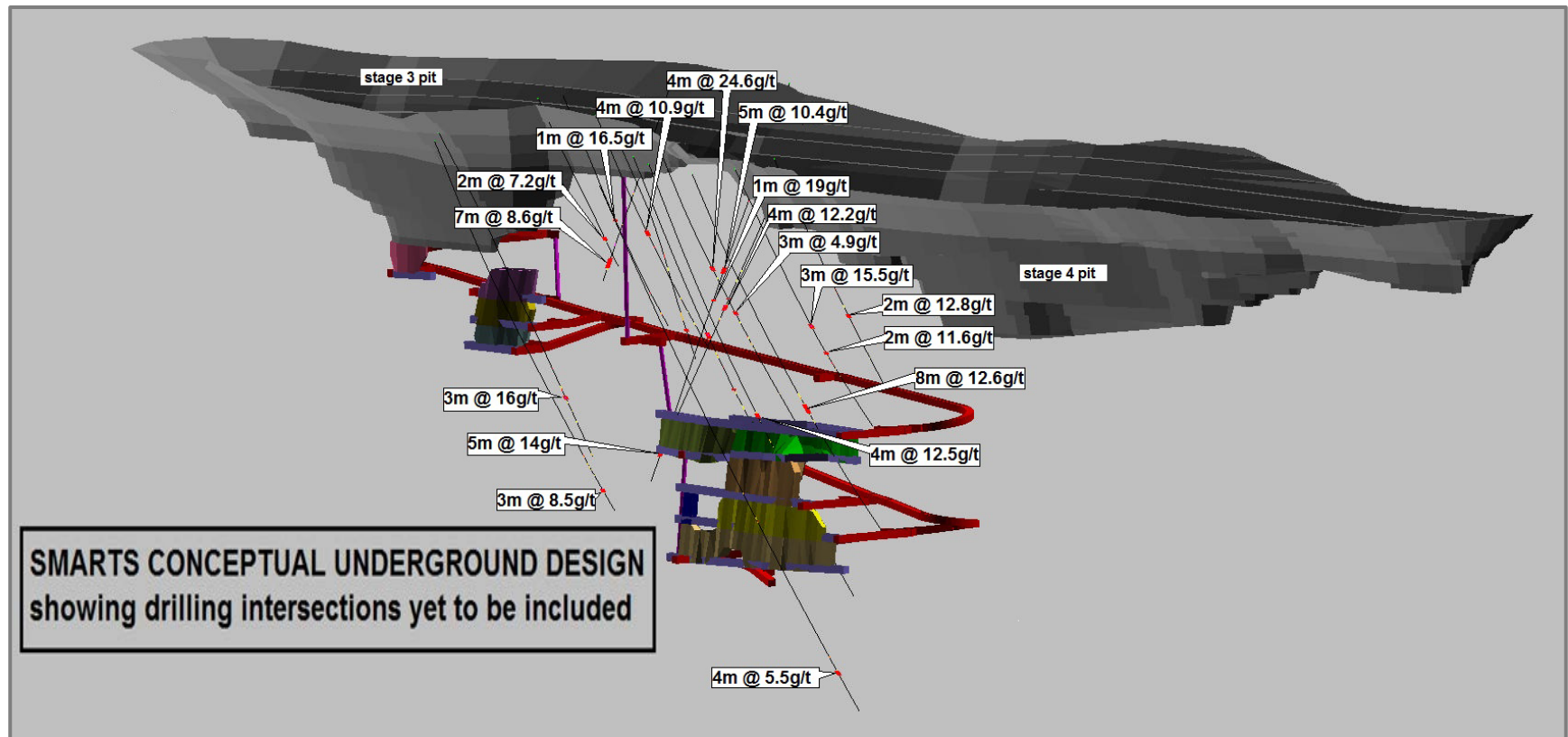


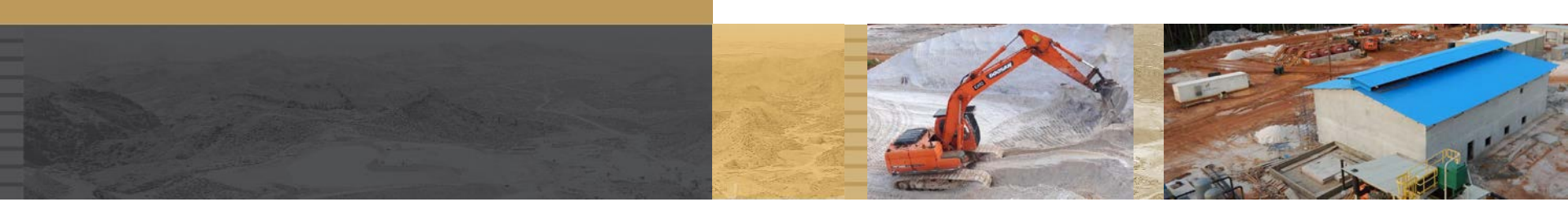


# Smarts Pit – Underground Design



- Underground modelling underway

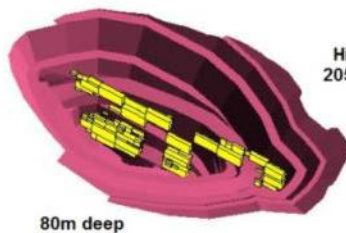




# Hicks

# Hicks

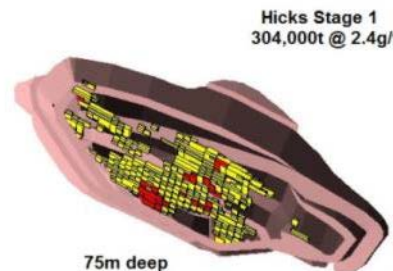
- Reserve – 839,800 @ 2.0g/t gold (54,690 ounces)
- Outcropping & Oxidised – Oxidised feed to blend with fresh, Smarts ore



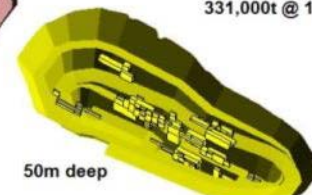
Hicks Stage 2  
205,000t @ 2.0g/t



*Tailings Dam*



Hicks Stage 1  
304,000t @ 2.4g/t



Hicks Stage 3  
331,000t @ 1.7g/t

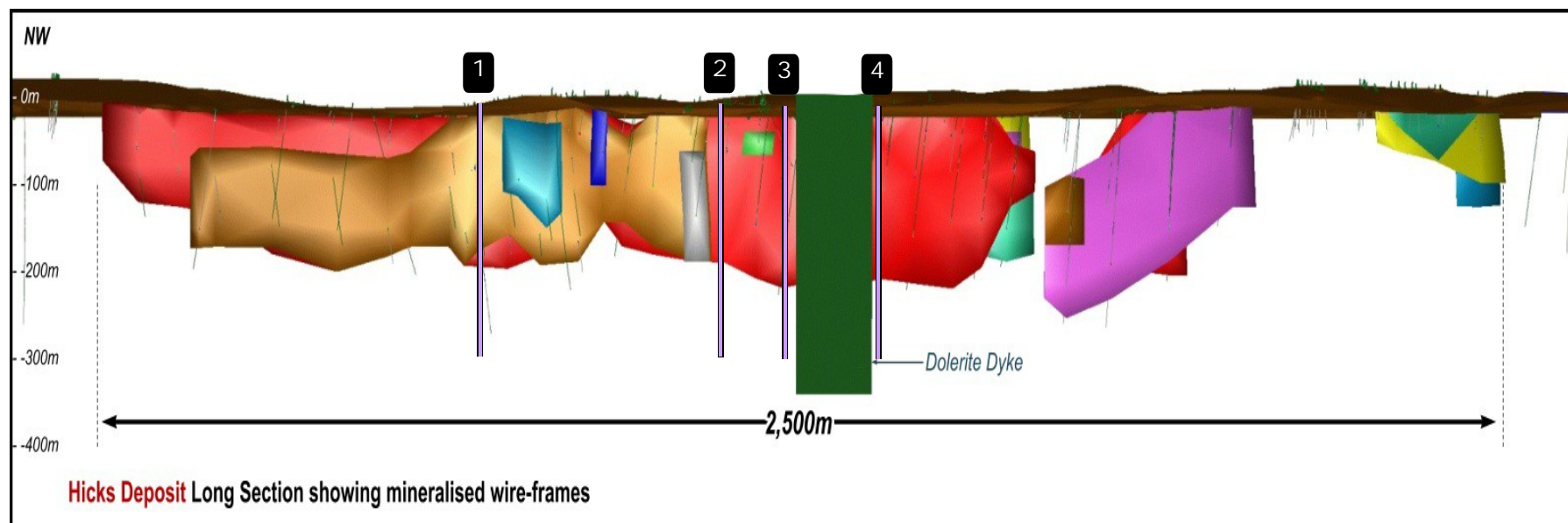
**TOTAL HICKS PITS**  
839,800t @ 2.0g/t  
containing 54,690oz



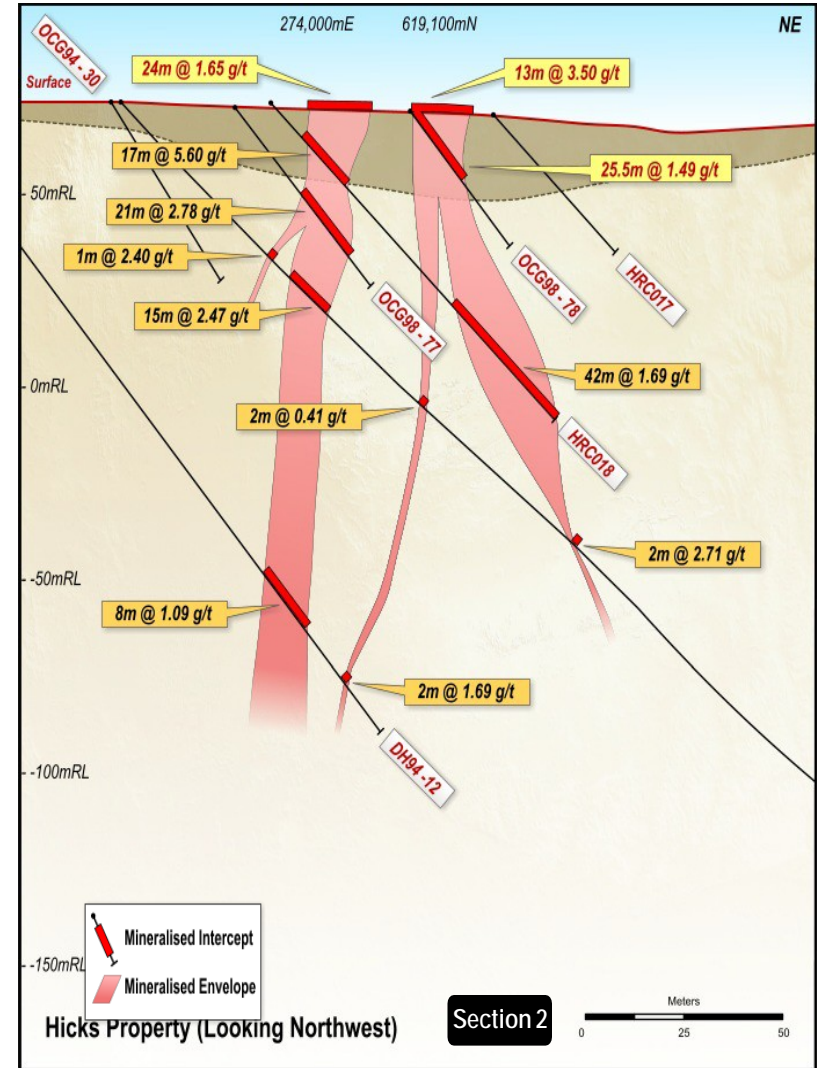
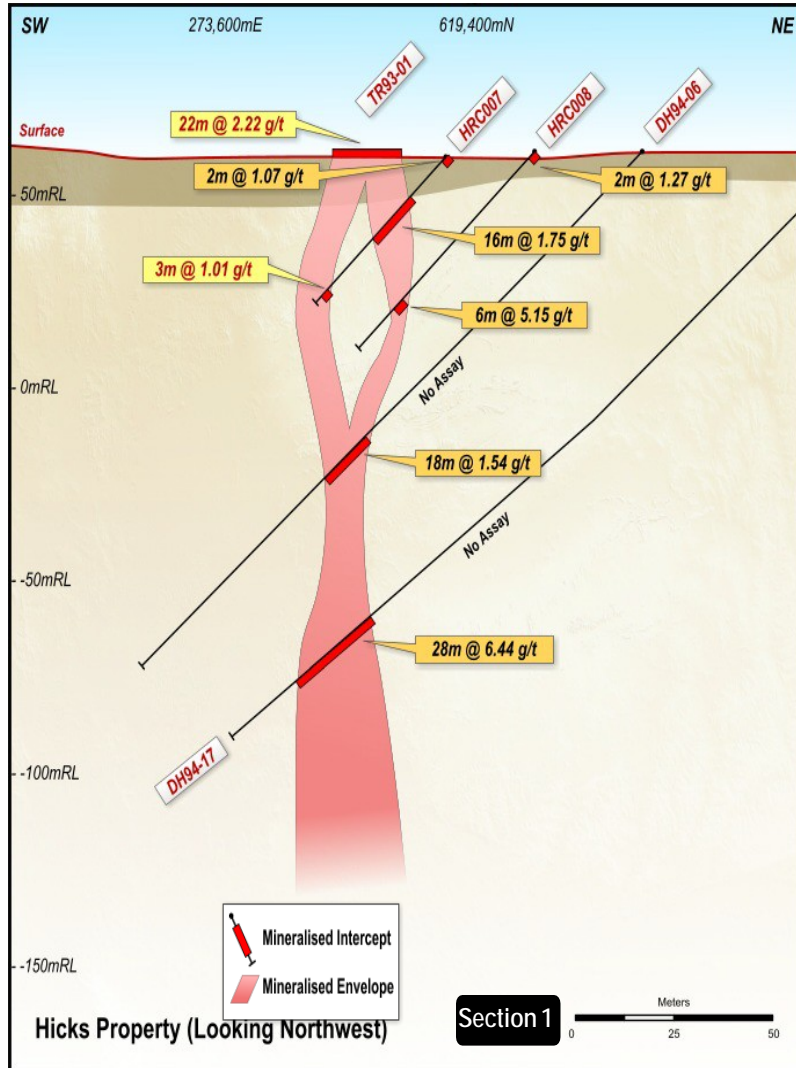
# Hicks – Longitudinal Section



- Distance – Hicks occurs over a 2.5km strike and remains open in areas
- Dip – The deposit has a near vertical dip (90°)

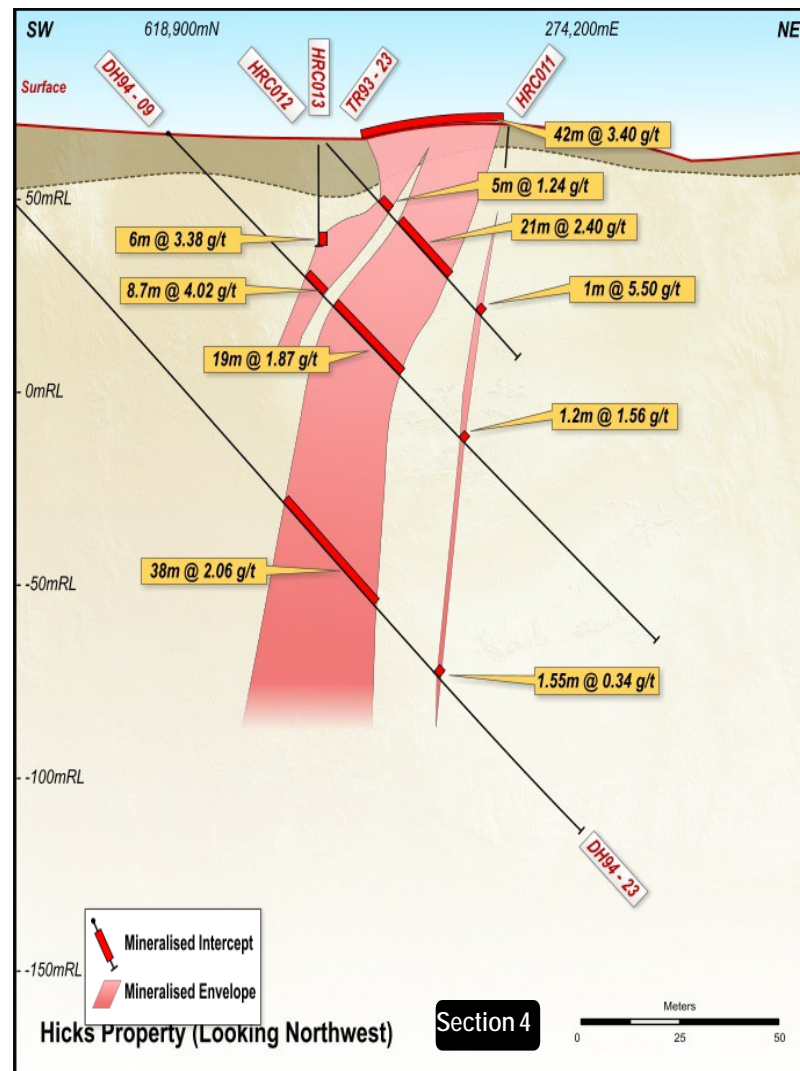
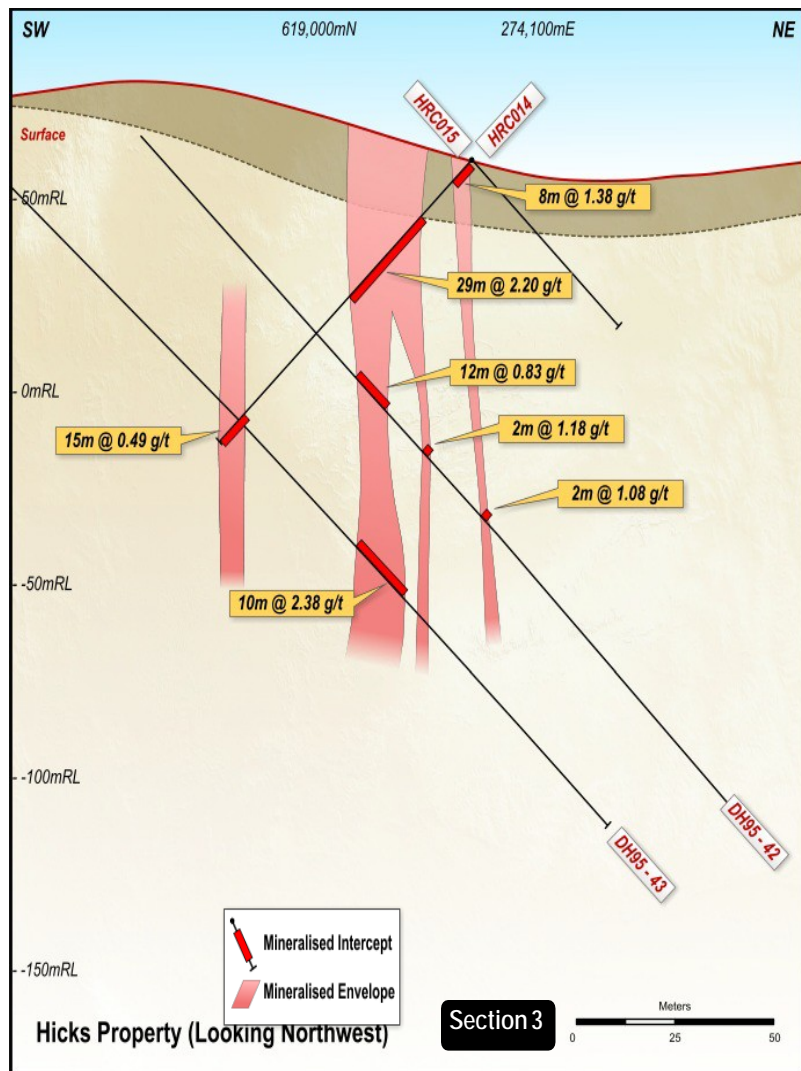


# Hicks – Cross Sections 1 & 2





# Hicks – Cross Sections 3 & 4







# Exploration

**FY16 Targets**



Hicks SE

Singh Link

El Paso

Whitehall

Mirror

Norby

Whitehall  
South

Goldstar

Gibbs

# Exploration – Underway



- Expenditure – \$12 million raised towards FY2016 exploration
- Drilling – 20,000m contract awarded (air core & reverse circulation)
- Drill collars – 950 drill hole collars underway for the first 5 targets
- Clearing & Preparation – Underway (access tracks & drill pads)
- Timing – Mobilisation occurred in August and drilling started September 2015
- Targets – Based on ground magnetics, and multi element XRF to “see through” surface sand cover
- Initial drilling at Whitehall South intersects same geology and alteration as found at Smarts deposit to south-east

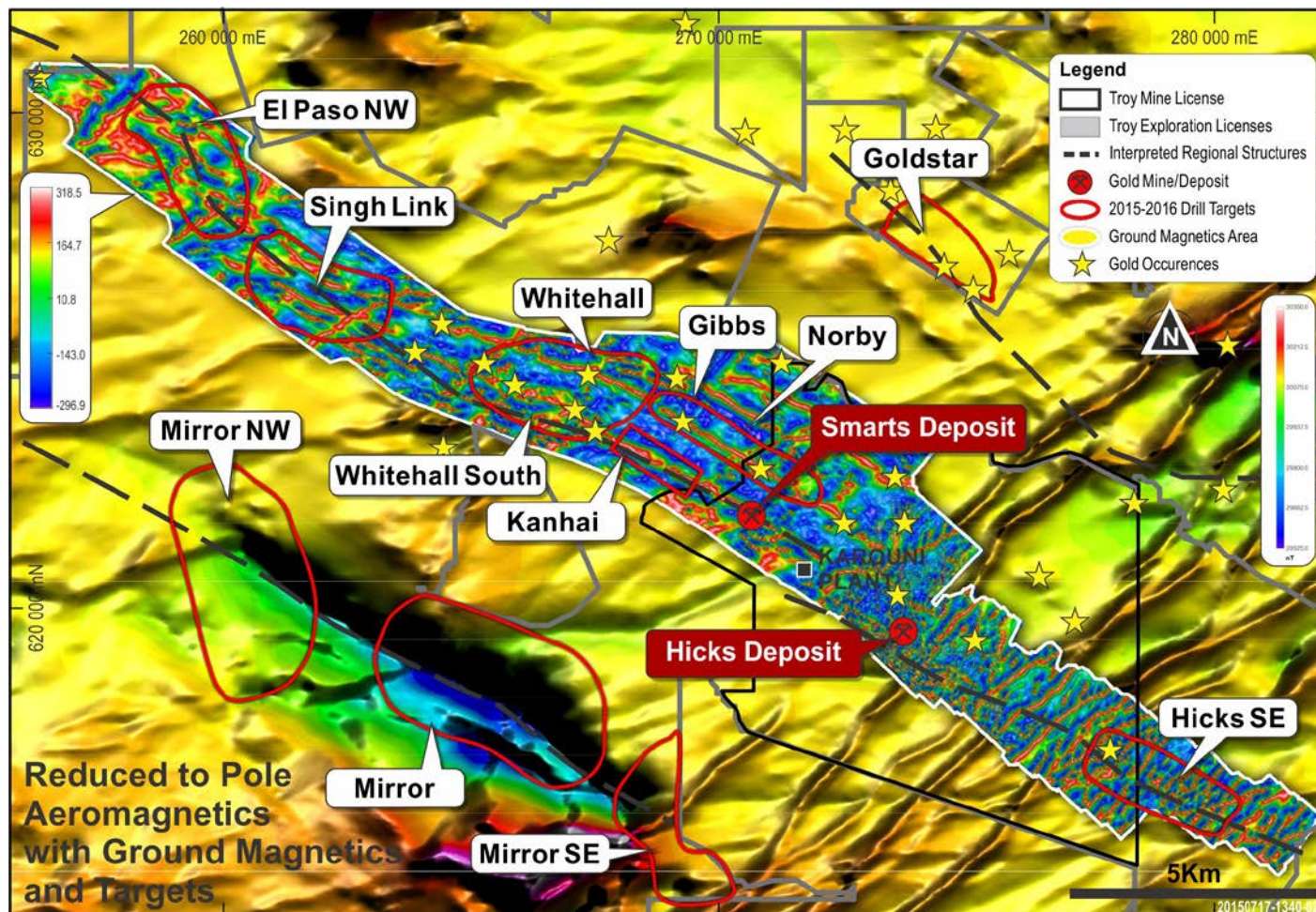




# Karouni Magnetics



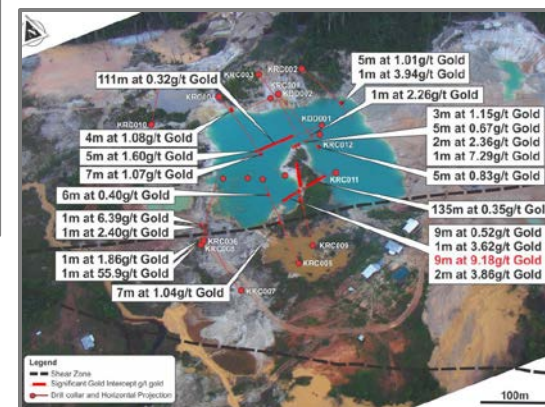
- Magnetics Drive The Exploration Effort





# Artisanal Miners

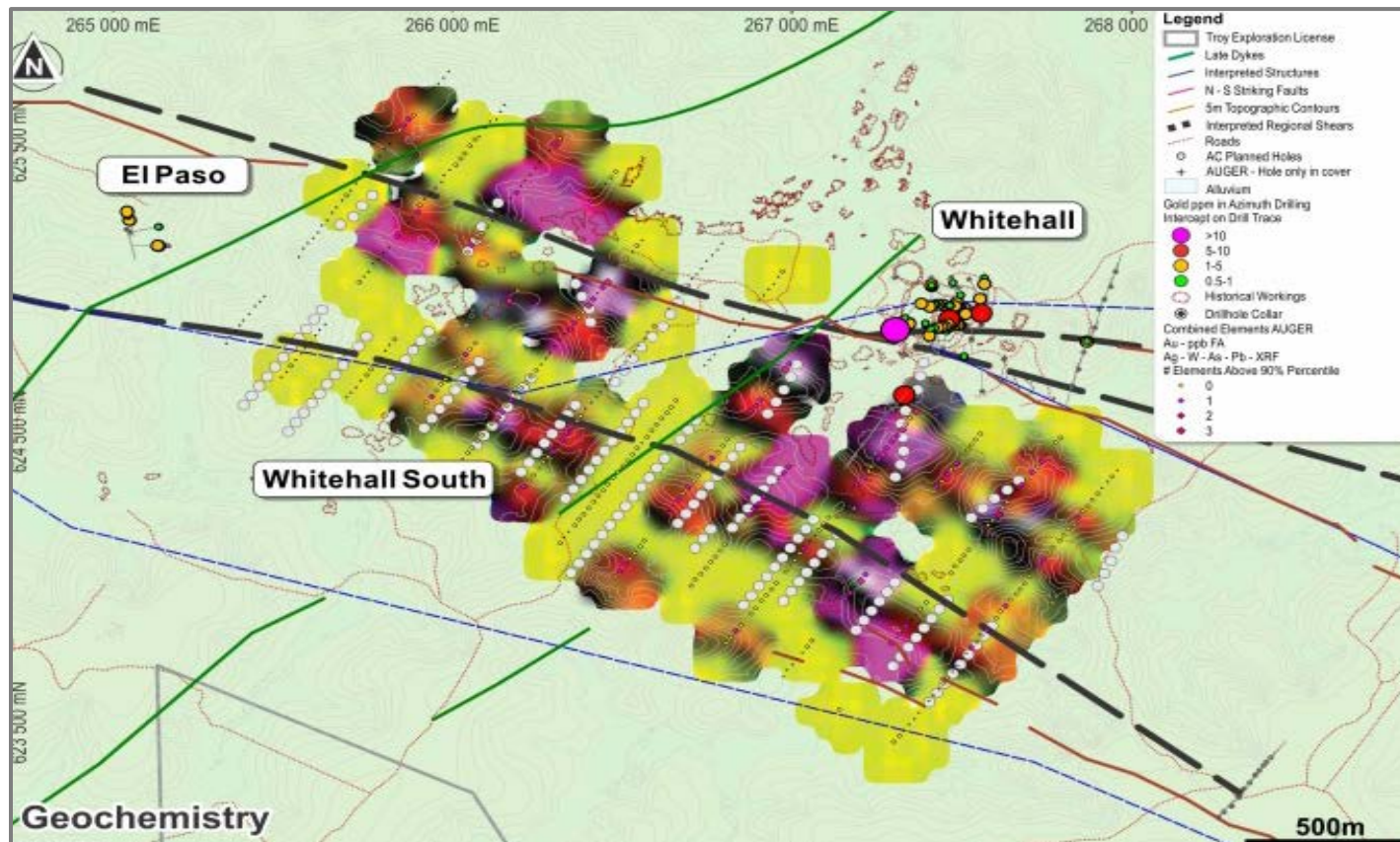
- Alluvial gold – Extensive historic occurrences / 70,000 ounces estimated extraction at Whitehall
- Prospectivity – High / Drilling Targets: Shear structures identified under cover via magnetics & XRF
- Environmental “Husbandry”





# Whitehall South – Exploration

- Geochemistry – Multi-element targets defined (gold, silver, arsenic and tungsten)
- Structure – Interpreted flexure in the Smarts-Hicks shear (EW trending)
- Host rock – Sedimentary (although shear spatially associated with a granite body)

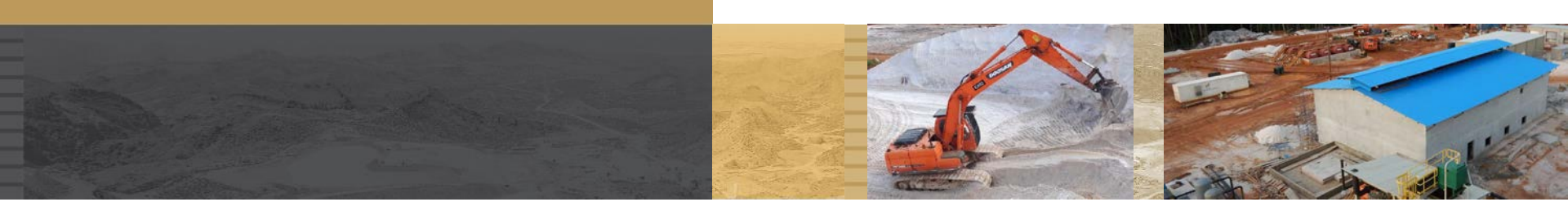


# Karouni Scorecard



- **Production – now underway**
  - Ramp Up ~ 80,000tpm in Q1 16
  - Cash costs - ~US\$630/oz (AISC at “steady state”) from grades of 3.8g/t gold
  - Mine life - material extensions likely
- **Gold explorer in a great mining jurisdiction**
  - Mining friendly government
  - No land conflict issues
- **Huge land position > 1,000km<sup>2</sup>**
  - Largest ground position in country and in belt – built over 5 years
  - Predominantly 100% owned
- **Highly prospective ground**
  - 60km of strike of major mineralised belt
  - Negligible modern exploration
- **Good logistics**
  - Existing road access from capital
  - 24/7 runway onsite – journey by air from Georgetown in less than 45 minutes
- **Strong team**
  - Senior management capability in country
  - Strong corporate/commercial and development team





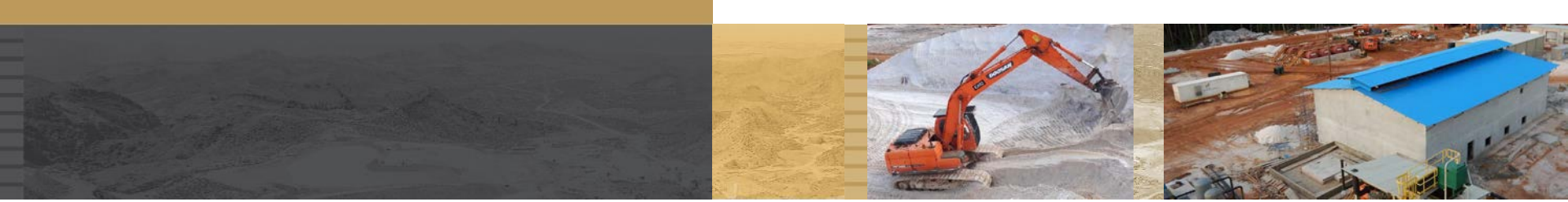
# Andorinhas

# Andorinhas (Brazil) – Closure in Progress



- Mine closure – Q4 2015
- Production – 7 years between 2008-2015
- Gold ounces during acquisition – 126,300oz (Indicated & Inferred)
- Gold ounces produced – 231,843oz (Reserves exploited)
- Exploration – US\$12.6m spent (86,000m drilling)
- Cashflow – US\$25.7M generated
- Community legacy – via *community health campaigns; freshwater for local schools; sponsorship for school recycling; provision of school equipment; environmental park established; football stadium erected ; artesian mining activities rehabilitated; reforestation programme of more than 26,000 trees executed*





# Casposo

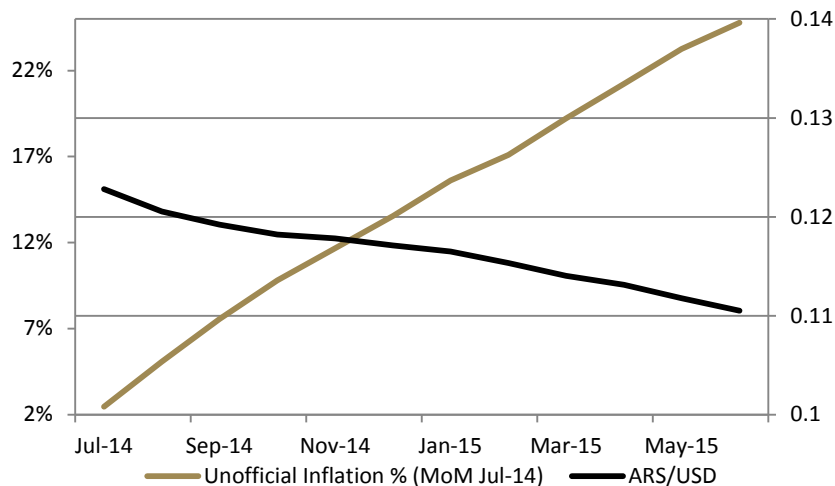


# Casposo (Argentina) – Restructuring Underway



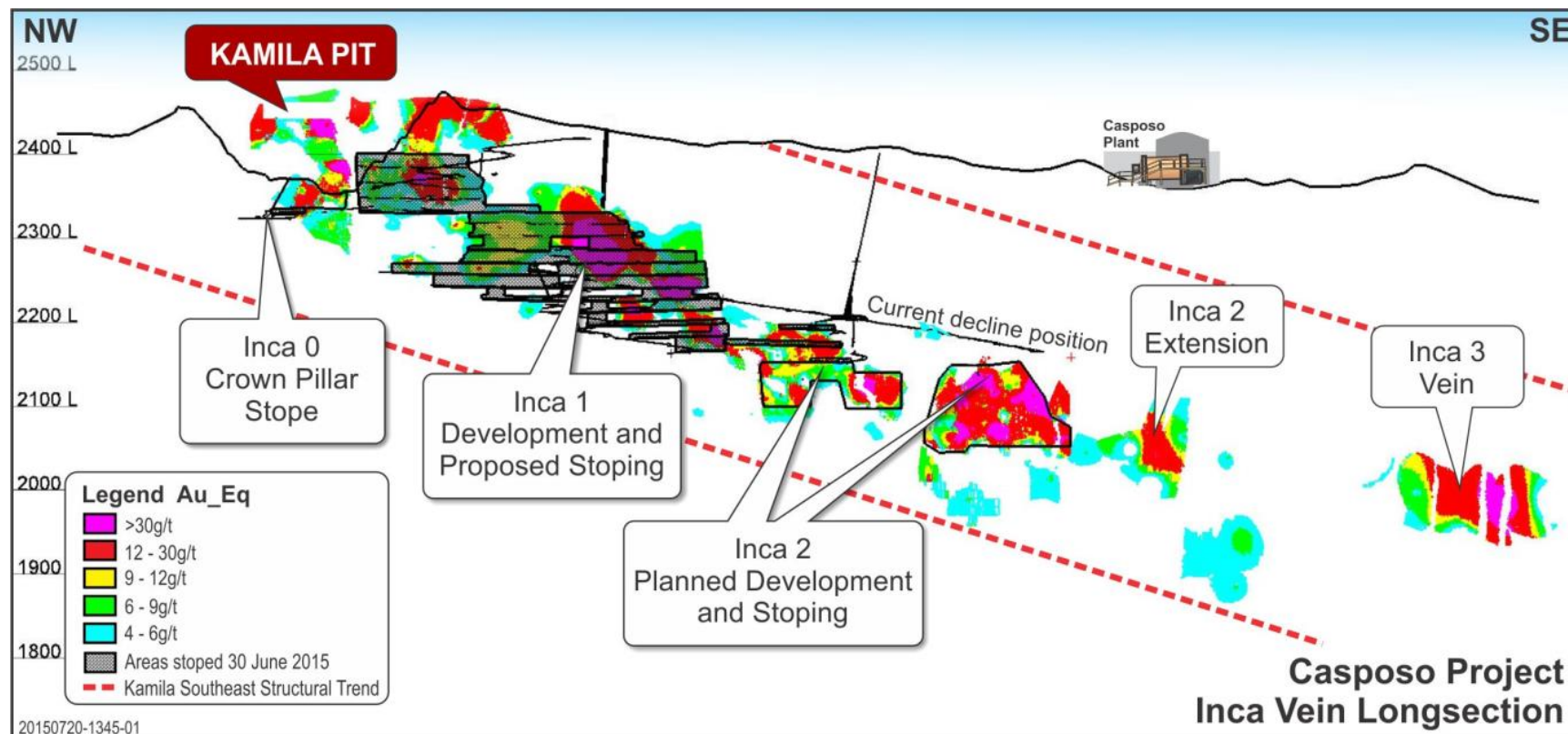
- A year of strong headwinds and challenges
- Metallurgy – progression from a gold rich mine to a silver rich mine
- Mining – transition from Open Pit to Underground along with the training and development of a local Owner-Operate team
- Wages – industry wage settlements and inflation approaching 40%
- Currency – currency depreciation of ~10% against the US\$.
- Capital controls – complex
- Production – produced 3.11Moz silver & 56koz gold at US\$668/oz (gold equivalent)

**CPI Inflation and FX FY2015**



# Casposo (Argentina) – Transition to Inca 2

- Pit revenue split – 78% gold & 22% silver
- Inca 1 revenue split – 55% gold & 45% silver
- Inca 2 revenue split – 39% gold & 61% silver

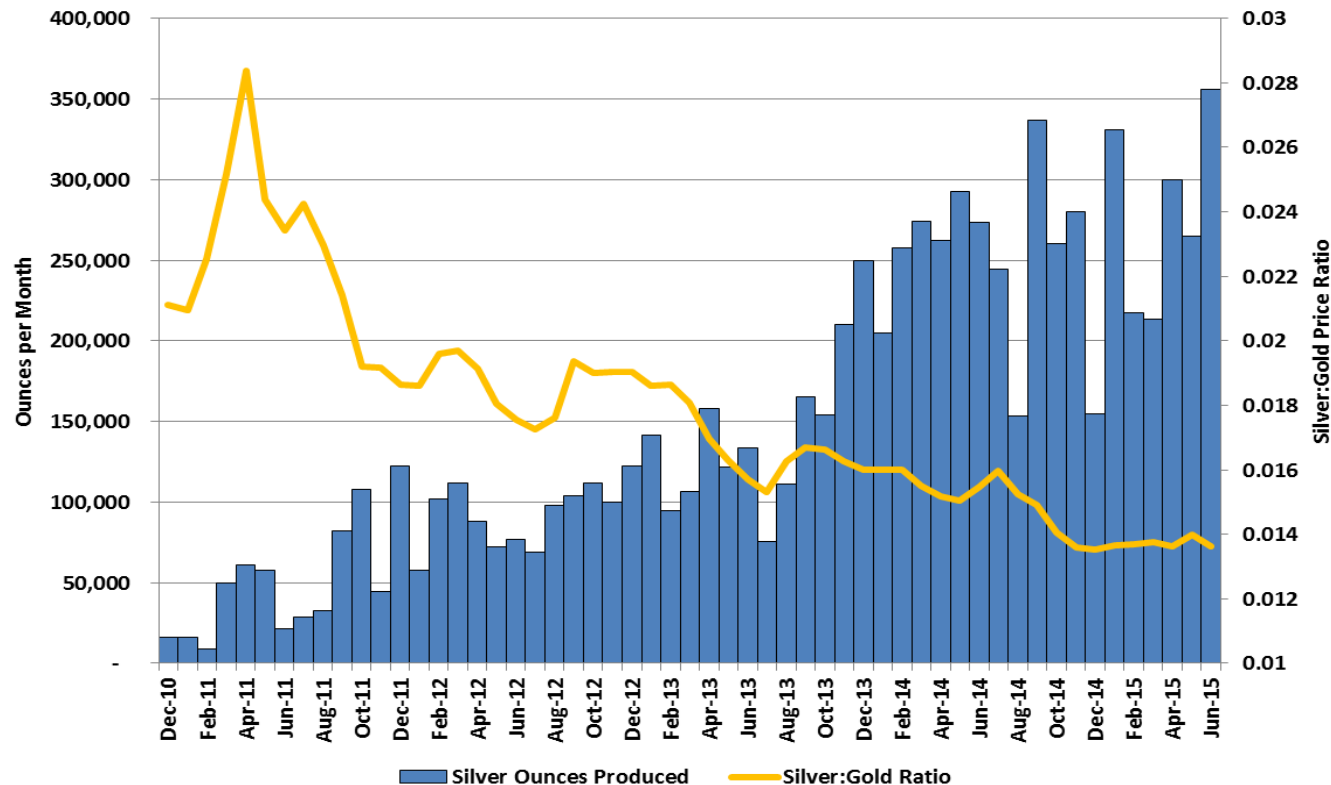


# Casposo (Argentina) – From Gold Mine to Silver Mine



- Gold production – in decline
- Silver production – on the rise

**Casposo Monthly Silver Production 2010-2015**







Thank you



# Qualifying Statements



## Competent Person's Statement

### Karouni

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves for the Karouni project is based on, and fairly represents, information and supporting documentation prepared by Mr Peter J Doyle, Vice President Exploration and Business Development of Troy, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a “qualified person” under National Instrument 43 101 – “Standards of Disclosure for Mineral Projects”. Mr Doyle 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 Doyle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Doyle is a full time employee of Troy.

The information relating to the results of the Karouni Pre-Feasibility Study is extracted from the report entitled Karouni Open-Cut Pre-Feasibility Study created on 28 July 2014 and is available to view on [www.troyres.com.au](http://www.troyres.com.au).

The information relating to the Karouni Mineral Resources and Ore Reserves is extracted from the announcement entitled 'Mineral Resources and Ore Reserves Update' created on 31 August 2015 and is available to view on [www.troyres.com.au](http://www.troyres.com.au).

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.