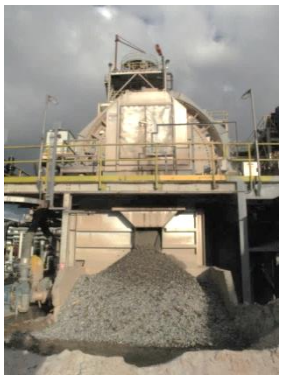
TROY RESOURCES LIMITED

Quarterly Report

For the three months ended **31 December 2015**

HIGHLIGHTS

- **Group gold production of 19,793oz. Au_Eq (excluding Karouni).**
- **Significant reduction in Group cash costs to US$779/oz. Au_Eq.**
- **First gold poured at Karouni in late November where quarterly production totalled 4,984oz.**
- **Ramp-up ahead of schedule at Karouni.**
- **Significant positive reconciliation between actual ounces mined from the Karouni pits and the Ore Reserve Model.**
- **Initial Karouni guidance for Calendar Year 2016:**
  - **Production of 100,000 - 120,000oz.**
  - **C1 cash costs of US$400 - 425/oz.**
  - **AISC of US$525 - 550/oz.**
- **Two stage placement to raise $10 million implemented.**
- **Further debt repayment of $15 million ~ net debt at quarter end $52.6 million.**



GROUP RESULTS

	December 2015 Quarter	September 2015 Quarter	YTD FY 2016
Gold Produced (oz.)	10,264	8,200	18,464
Silver Produced (oz.)	712,697	715,704	1,428,401
Gold Equivalent Produced (oz.)	19,793	17,692	37,485
Co Product Costing [(1)] - Cash Cost (per oz.)	US$779	US$1,223	US$989

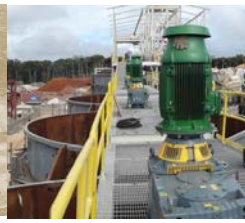
[(1)] Co-Product costing converts silver to an equivalent value of gold ounces. For actual production we use sales prices realised.

OPERATIONS

CASPOSO, ARGENTINA (Troy 100% through Troy Resources Argentina Ltd)

Production Summary	December 2015 Quarter	September 2015 Quarter	YTD FY 2016
Processed (t)	109,239	112,981	222,220
Head Grade Gold (g/t)	2.35	1.74	2.04
Head Grade Silver (g/t)	247.79	238.42	243.03
Recovery Gold (%)	91.54	90.16	90.94
Recovery Silver (%)	81.89	82.64	82.27
Gold Produced (oz.)	7,561	5,682	13,243
Silver Produced (oz.)	712,697	715,704	1,428,401
Gold Equivalent Produced [(1)] (oz.)	17,090	15,174	32,264
Gold Sold (oz.)	6,512	7,006	13,518
Silver Sold (oz.)	740,285	836,976	1,577,261
Gold Equivalent Sold (oz.)	16,377	18,115	34,492
Gold Price Realised (per oz.)	US$1,096	US$1,115	US$1,106
Silver Price Realised (per oz.)	US$14.66	US$14.79	US$14.73
Cost	**US$/oz.**	**US$/oz.**	**US$/oz.**
C1 Cash Cost (Co-Product basis) [(2)]	**772**	**1,274**	**1,009**
Refining and transport costs	54	48	52
Reclamation and remediation – amortisation	22	25	23
Corporate general & administration costs	52	60	56
Royalties, export tax and local taxes	121	134	126
Insurance	13	18	15
Capital equipment	-	4	2
All-In Sustaining Cost (AISC) (Co-Product basis) [(2)]	**US$1,034**	**US$1,563**	**US$1,283**

[(1)] Based on the ratio of monthly sales prices realized for the quarter.
[(2)] Cash costs and All-In Sustaining Costs are calculated using Au_Eq ounces produced as the denominator.



Occupational Health, Safety and Environment

Safety Statistics	December Quarter
Man Hours	235,259
Minor Accidents	0
Accidents requiring medical assistance	3
Lost time injuries	9
Injury Frequency	51.01
Severity rate	1.95

No environmental incidents were recorded for the quarter.

Underground Mining and Development

	December 2015 Quarter	September 2015 Quarter	YTD FY 2016
Total Ore Mined (t)	57,509	92,361	149,870
Gold Grade (g/t)	2.77	1.60	2.05
Silver Grade (g/t)	335.33	308.61	318.86
Total Development (m)	381	855	1,236

Following suspension of all waste development in the previous quarter, total development was limited to 381 metres. Ore development was completed in Aztec vein and stoping commenced. The reduced number of ore headings and stope availability resulted in less tonnes being mined for the quarter.

Mining in the Inca 0 vein was completed removing parts of the crown pillar adjacent to the completed open pit. Higher grade stoping blocks were also mined early in the quarter from Inca 2a. Challenging ground conditions in Inca 2a necessitated leaving supporting pillars in the mined stopes.

Stoping in the Aztec vein beneath the pit commenced producing ore with higher gold grades compared to the Inca 2 vein. The Aztec vein will remain the focus for stoping in the March quarter.

Processing

The plant processed 109,239 tonnes with throughput averaging 1,200 tonnes per day. An increase in the feed grade resulting from higher grade Aztec and Inca2a material entering the mill blend, led to an increase in the average grades treated for the quarter to 2.35g/t for gold and 247.79g/t for silver, representing a 35% and 4% increase respectively. Metal recoveries remained consistent at 91.54% for gold and 81.89% silver.

Costs

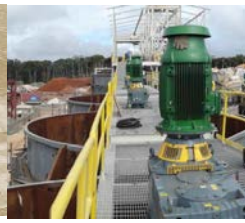
Casposo produced 7,561oz. gold and 712,697oz. silver or 17,090oz. Au_Eq at a Cash Cost of US$772/oz. (on a co-product basis) and an AISC of US$1,034/oz. This represents a significant reduction over the previous quarter's costs primarily due to the initiatives being undertaken at site to reduce overall costs. Excluding the "one-off" provision created for redundancies arising from the restructuring process, total costs reduced by a further US$5.7 million during the quarter, which is in addition to the US$5.9 million reduction recorded during the September quarter.

Outlook

Casposo is well advanced with its labour restructuring program, with a significant number of employees having entered into formalized agreements to reflect their voluntary redundancy. The underground mine will continue to operate until the end of January after which time it will be placed on care and maintenance. The plant will continue to operate until it has completed processing the high grade ore being sourced from underground and the remaining stockpiles. It will then be cleaned and also placed on care and maintenance.

Operating costs and the workforce have been significantly reduced since the Company commenced its operational review in July 2015. The economic climate within Argentina has also improved with the new Government lifting currency controls (Peso devalued on 17 December by ~30% against the US dollar) and eliminating export duties. Combined with the remaining in-ground reserves, Casposo now presents as a smaller scale mining operation with a reduced cost base within an improving economic climate.

The Company is therefore exploring all of its options in relation to how it might benefit from its investment in Casposo going forward.



ANDORINHAS, BRAZIL (Troy 100% through Reinarda Mineração Ltda)

Production Summary	December 2015 Quarter	September 2015 Quarter	YTD FY 2016
Processed (t)	50,340	52,976	103,316
Head Grade Gold (g/t)	1.99	1.72	1.85
Recovery Gold (%)	83.97	86.01	84.94
Gold Produced (oz.)	2,703	2,518	5,221
Gold Sold (oz.)	3,600	800	4,400
Gold Price Realised (per oz.)	US$1,091	US$1,156	US$1,103
Cost	**US$/oz.**	**US$/oz.**	**US$/oz.**
C1 Cash Cost	**824**	**911**	**866**
Refining and transport costs	43	37	41
Reclamation and remediation – amortisation	7	19	13
Corporate general & administration costs	48	55	51
Royalties, export tax and local taxes	15	4	9
Insurance	12	18	15
Mine Development	-	-	-
Total AISC	**US$949**	**US$1,044**	**US$995**

Occupational Health, Safety and Environment

There were no lost time injuries recorded for the quarter.

Andorinhas is in the process of rehabilitating its old workings and historic garimpeiro workings with guidance from SEMA (the environment authority for the State of Pará) and local landowners.

Production Results and Summary

Gold production was 2,703oz. at a cash cost of US$824/oz.

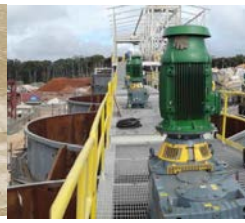
Outlook

Andorinhas continues to process the remaining low grade stockpiled ore and garimpeiro tailings as part of the mine clean-up.

The Company granted TSX-V Listed Magellan Minerals Limited an extension to its agreement dated 26 August 2015 for the acquisition of the Andorinhas plant and all associated equipment and inventories. Pursuant to the terms of the amendment, Magellan made an initial payment of US$500,000 to the Company on 31 December, 2015. The balance of the consideration (US$2.85 million), will be due and payable on or before 29 February, 2016. The latter payment can comprise, at Magellan's election, up to a maximum of 9.99% of Magellan's issued and outstanding share capital at that time.

The wet season is assisting with mine rehabilitation, soil preparation, planting of native sapling hardwoods and the sowing of grass seeds.

Once processing of ore through the plant has ceased and it has been cleaned and decommissioned, the plant footprint and remaining tailings dam will also be rehabilitated to enable the final environment report to be completed and presented to SEMA.



DEVELOPMENT

GUYANA, KAROUNI PROJECT (Troy 100%)

Development of the Karouni operation progressed well throughout the quarter. The processing plant was commissioned and operated at above forecast levels with 79% availability throughout December. First gold deliveries were made towards the end of the quarter with 4,984oz. recovered and 1,691oz. poured and sold. The difference between the recovered and poured ounces being due to the build-up of gold inventory within the circuit.

Mining progressed with the first high grade ore mined from Smarts stage 3. A total of 30,846t @ 6.68g/t Au was mined in Smarts Stage 3 and this produced more than four times the expected gold compared to the Ore Reserve from the same area.

There were two LTI's recorded during the quarter and no environmental incidents.

Mining

Mining during the quarter focussed on the Hicks Stage 3 and Smarts Stage 3 pits. Sand overburden removal in Smarts Stage 3 was nearly complete at the quarter end with the first high grade ore being exposed and mined during December. During the quarter 477,000 BCM or about 900,000 tonnes were excavated from the open pits. Total movement was impacted by the Christmas break.

The positive reconciliation between the Ore Reserve model and the grade control results continued into the December quarter. Table 1 reflects the ore mined during the quarter compared to what was expected from the Ore Reserve model. Mined tonnes are based on grade control figures.

Further studies to understand and evaluate this positive reconciliation are progressing, however it appears to have been caused by additional mineralised structures being encountered in the pits that were not modelled in the Mineral Resource estimate.

Figure 1 shows the 60mRL bench in Smarts Stage 2 pit and North-South ore blocks that were not modelled in the Mineral Resource estimate.

The north-south linking structures between the main Smarts shear zones are mineralised with quartz veining containing abundant visible gold.

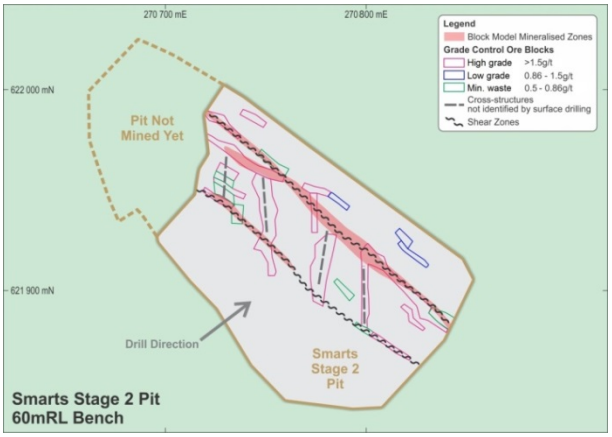


Figure 1: Smarts Stage 2 60mRL Oreblock Plan

These veins are sub-parallel to the resource drilling direction so were not adequately tested during the exploration phase. Several high grade drill intersections beneath the Smarts pit design that were not included in the resource estimate are now thought to be north-south lodes. Whilst the block model is being reviewed through additional information on trends gained from open pit mining, a new drill programme is also being planned to test the extent of these mineralised structures at depth. Once completed, this work should provide for an update of the Mineral Resource estimate in the Karouni pits.

Table 1 - Ore mined for the 31 December 2015 Quarter

	Ore Reserve Model			Mined			Reconciliation		
	Tonnes	**Grade**	**Oz**	**Tonnes**	**Grade**	**Oz**	**Tonnes**	**Grade**	**Oz**
Hicks Stage 3	21,948	1.53	1,081	28,175	2.37	2,143	128%	155%	198%
Smarts Stage 2	2,849	4.48	410	16,758	2.61	1,404	588%	58%	343%
Smarts Stage 3	8,368	2.70	725	30,846	6.68	6,623	369%	248%	914%
Total	**33,165**	**2.08**	**2,215**	**75,779**	**4.18**	**10,171**	**228%**	**201%**	**459%**

Hicks Stage 3 are probable reserves and Smart Stages 2 and 3 are proven reserves.

Mining in the Hicks Stage 3 pit has also revealed high grade mineralisation contained within and controlled by felsic intrusives. These intrusives were unable to be adequately modelled in the Mineral Resource estimate due to lack of data. Mining in Hicks to date has shown that the grades within these intrusives are higher than modelled and that the intrusives have a steeply dipping plunge component to them.

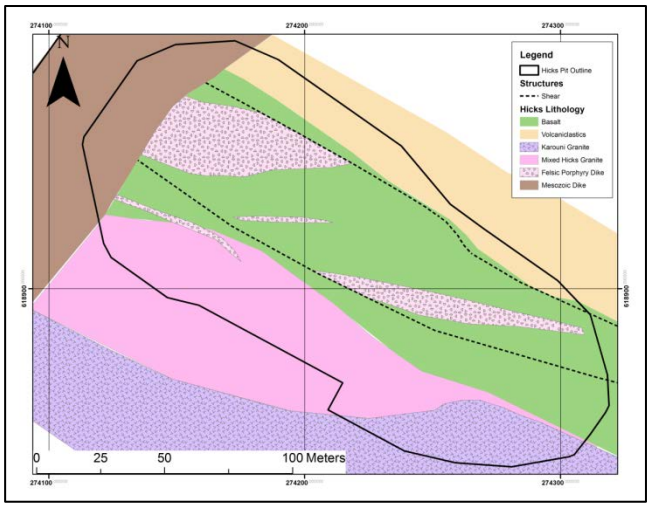


Figure 2: Hicks 45mRL Bench Geology Plan

Figure 2 shows the mapped geology on the 45mRL in the Hicks Stage 3 pit. The felsic porphyry dyke is the main mineralised unit. A re-interpretation of the Hicks deposit has commenced and additional drilling is being planned to better understand the distribution of high grade mineralisation at Hicks.

Mining will continue in Smarts Stage 3 and Hicks Stage 3 during the March 2016 quarter. Hicks is now generating some primary ore and this will be used to blend with the higher grade oxide ore from Smarts.

Processing

Commissioning of the milling circuit was completed during the quarter. Mill availability increased to 79% during December and this is anticipated to rise to in excess of 90% during the March 2016 quarter. Wet clays did impact throughput during the quarter, however this has been largely resolved through minor modifications in the plant and with the mining and blending of primary ore from the Hicks pit. Figure 3 shows the ramp up of the processing plant throughout the quarter and Table 2 tabulates the processing plant production.

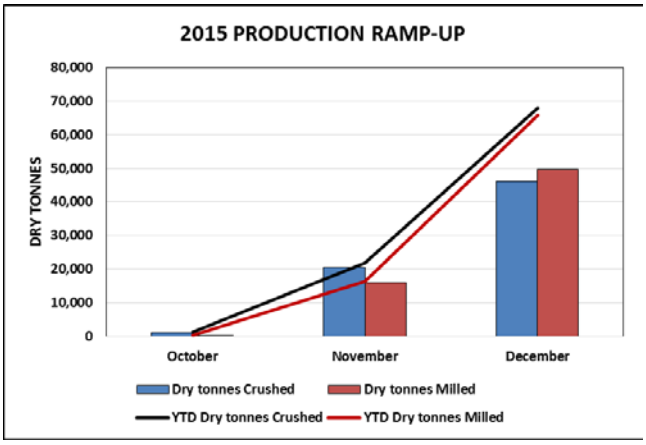


Figure 3 - Processing Plant Ramp-Up

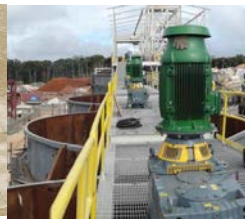
Table 2 - December Quarter Processing Plant Production

Dry Tonnes Milled	Grade	Recovery %	Oz. Recovered	Oz. Poured
65,828	2.69	87.6	4,984	1,691

With the start-up of the regeneration kiln planned for January and ongoing plant modifications, we expect maximum capacity throughput rates to be achieved in February.

Based on operating data recorded so far, the Company is forecasting guidance at Karouni for calendar year 2016 of:

- Production of 100,000 to 120,000 oz.
- C1 cash costs of US$400 - 425/oz.
- AISC of US$525 - 550/oz.



EXPLORATION

GUYANA, KAROUNI PROJECT (Troy 100%)

Karouni Brownfields Exploration

Brownfields drilling continued at Karouni during the quarter. The program is designed to complete a "first pass" test of our highest ranked targets along the highly prospective Smarts – Hicks and Saintes Shear Structural Corridors (see Figure 4 below). This reconnaissance exploration drilling will test the most prospective structural positions interpreted to be within the right host rocks with supporting Multi-Element geochemical signatures. Drilling is targeting areas with strike lengths ranging from 2km - 4km.

Field mapping, prospecting and rock grab sampling at Whitehall NW yielded a number of high grade results (23.6g/t Au, 18.64g/t Au and 9.77g/t Au) from quartz veining in sheared granite exposed in an old artisanal pit (see Appendix 1).

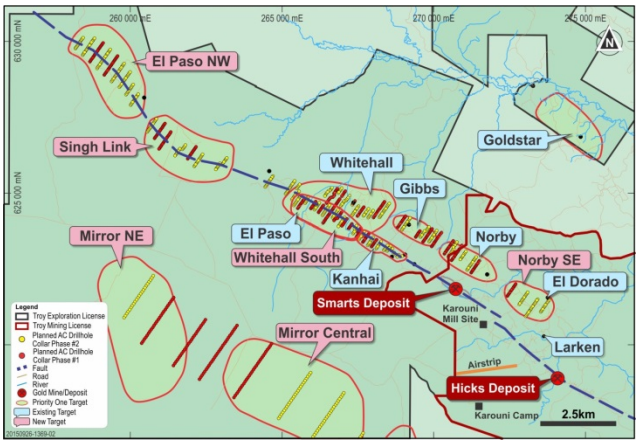


Figure 4: Brownfields Drill Targets and Drillhole Collar Plan

Drilling

Drilling continued at Whitehall South throughout the quarter. This drilling is testing the interpreted position of the main Smarts - Hicks Shear Corridor over a 3km strike length. The initial program was designed as Aircore, but due to the presence of surficial laterite and quartz veining, the program was upgraded to a Reverse Circulation program to effectively test a variably stripped sequence for both saprolite and bedrock mineralisation.

At the end of the quarter 104 Reverse Circulation holes for 6,671m with 15 lines completed at 160m spacings tested the 3km gold, chromium and tungsten anomaly (see Figure 5, Appendix 2 and JORC Section 1 & Section 2 Tables).

From late October to early November a total of 21 days were lost due mechanical problems related to the compressor cooling system on the drill rig.

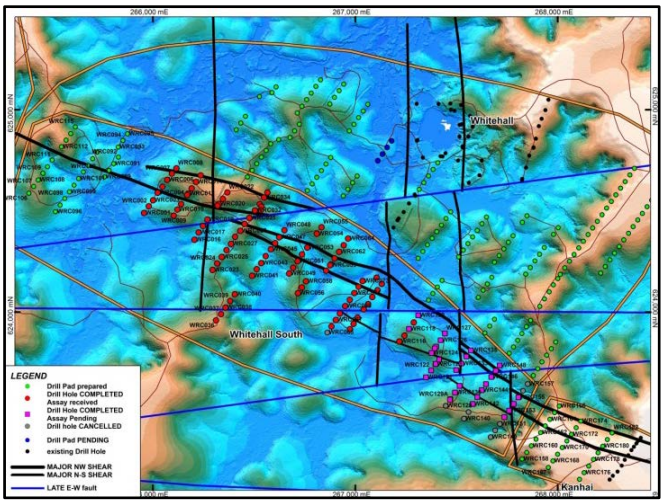


Figure 5: Whitehall South Drill Collar Plan 2015 (Red collars Results Received, Pink collars Results Pending)

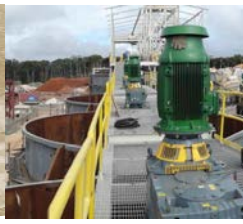
Table 2 - Whitehall South Reverse Circulation Drilling Summary

Period	Holes Drilled	Total Metres Drilled
1 Oct – 31 Dec	104	6,671m
Total Drilling	**119 Holes**	**7,475m**

The Main Smarts Shear has been intersected on each line throughout the Whitehall South target. In addition, a number of smaller shears have been intersected in between the two larger shears as expected. This is interpreted to be the jog area and this matches our structural interpretation. Logged structures correlate well to the geophysics and Lidar layers (see Figure 6).

Drilling has continued to intersect the thick mafic sequence throughout Whitehall South. This is a geochemically similar sequence to the unit that hosts the Smarts Deposit, but is significantly thicker in the Whitehall area.

The holes in the southern block have intercepted the chrome-rich marker unit in the hangingwall which is interpreted to be the continuation of the more high magnesium basalt unit in the Smarts and Hicks Deposits. This is a key marker band as the gold drilled to date sits at the contact and in the footwall of this unit. Drilling however didn't intersect this high chrome unit in the central block which could now lead to an explanation for the low level gold in the central and northern holes.



Assay results to date have yielded a series of weakly anomalous gold values over narrow intervals (peak value of 1m at 0.94g/t Au) that correspond to the interpreted Smart Shear Structural position (see Appendix 2);

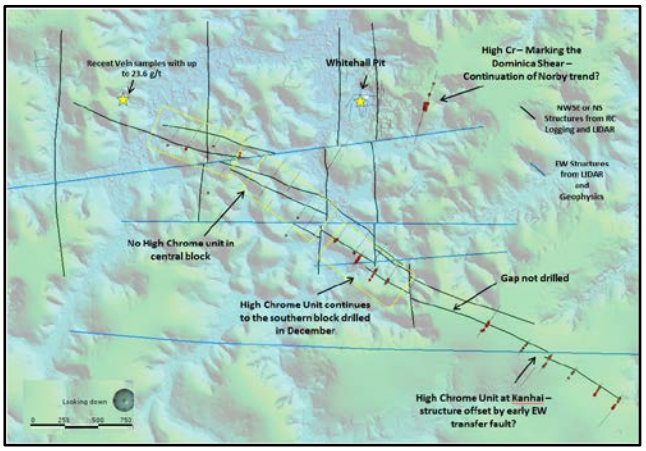


Figure 6: Whitehall South - XRF High Chromium (>900ppm) Marking out the Hangingwall "Chrome Corridor"

A detailed structural interpretation is being developed that follows on from the idea that the N-S structures and early E-W transfer faults controlling the blocks are another potential explanation for the different units from Smarts and at Whitehall South. The role of the late E-W faulting, which may also control the larger scale basement geological blocks, will also be investigated. Early NW-SE and N-S structures may have been again offset by the later E-W events and this may explain the lack of the high chrome unit in the central block. This work is evolving as drilling progresses.

Target Generation

Field mapping and rock grab sampling NW of Whitehall yielded a number of high grade results (23.6g/t Au, 18.64g/t Au and 9.77g/t Au) from quartz veining in sheared granite exposed in an artisanal pit.

The new results are grab results previously reported.

The gold bearing Quartz-Tourmaline +/- Chlorite veins are hosted in granodiorite that is variably sheared with narrow veins. All the grades appear to be associated with NE-trending and dominantly east-dipping quartz-tourmaline veins. The host intrusive is distinctly more mafic (Chlorite present within the groundmass) compared with the nearby El Paso Granite, which is white and composed of only plagioclase and quartz.

Granodiorite often contains small shears (2cm - 30cm wide) and is variably foliated in places, though these do not seem to carry any gold.

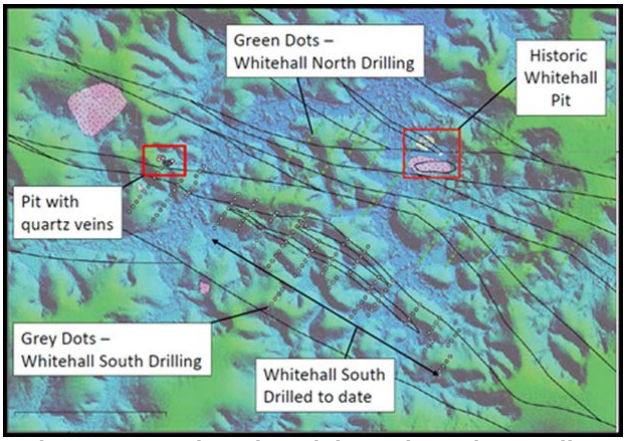


Figure 7: Location Plan High Grade Grab Sampling

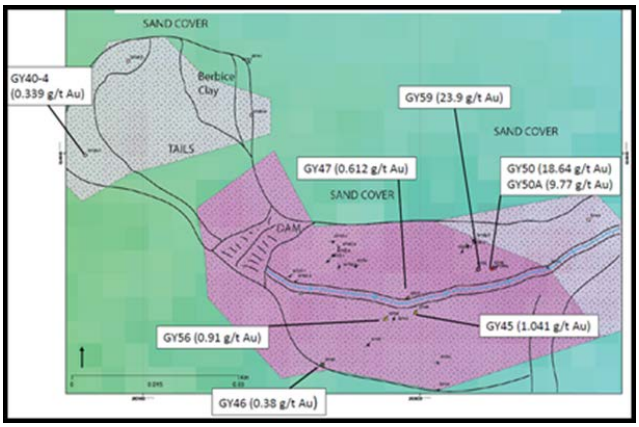
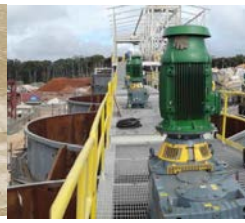


Figure 8: Rock Grab Sampling Plan on Geology

This area is included in the overall Whitehall drill plan and holes are planned to test the area. These holes will be scheduled for next quarter after the wet season as it is in a low lying area across the main creek which is inaccessible during the rainy season.

Work continued during the quarter on the belt scale geology as part of the partnership with the University of Western Australia - Centre of Exploration Targeting. This work focused on the ICP geochemical data and thin sections collected during the 2015 re-logging campaign. The ICP geochemistry coupled with approximately 82,000 pXRF sample results and interpretation of thin sections confirmed the host rocks at the Smarts Deposit. This understanding will now be used for future targeting and exploration programmes and is a key foundation element for developing a belt scale geological model.



FINANCE

The Group's cash at quarter end was $22.7 million.

Dore at site and in transit from Argentina and Brazil at quarter end totaled 3,027.3 oz. Au_Eq ($4.4 million at market prices). Funds held from Argentine sales are required to be transferred from Canada via Argentina before any surpluses are remitted to Australia.

The Company completed a placement of 50 million new ordinary shares at an issue price of $0.20 per share to raise $10 million (before issue costs) (Placement). The Placement shares will be issued via two tranches with the Company receiving approximately $8.6 million (before issue costs) on 23 December with funds from the second tranche of approximately $1.4 million (before issue costs) being subject to shareholder approval at a General Meeting being held on 28 January 2016.

Banking Facility

The Company repaid $15 million to Investec on 31 December 2015 thereby reducing the amount outstanding under the Facility to $75 million. The balance of the Facility is being amortised in quarterly instalments through to 30 June 2017.

The Company entered into a forward exchange contract during the quarter to convert the A$ amount outstanding under the Facility to a US$ denominated arrangement on 29 March 2016 at a rate of A$/US$ 0.7166 for US$53.7 million.

Net Debt

The Group's net debt position at quarter end was $52.6 million, including $0.3 million due to ICBC in Argentina.

Hedging

The following table outlines the Company's hedging positions in place at 31 December 2015:

Settlement Period	Gold oz.	US$/oz.
Mar Qtr. 16	17,000	$1,101.30
Jun Qtr. 16	20,000	$1,101.30
Sep Qtr. 16	26,000	$1,101.30
Dec Qtr. 16	12,000	$1,066.50

The mark-to market valuation of these hedges, based on a spot gold price of US$1,061.80/oz, A$/US$ of 0.7282 and the respective forward curve, totalled a hedge asset of $3.35 million.

Exploration Expenditure

During the quarter, exploration expenditure incurred in relation to Karouni was $1.7 million.

Capital Expenditure

Capital and development expenditure incurred at Karouni relating to finalisation of construction, consumables, pre-production mining, plus preliminary processing and administration costs, was $9.6 million. With Karouni progressing towards commercial production, gold sales during December of $3.1 million will be offset against the above expenditure for accounting purposes.

The cost information and expenditure detail provided within this report are based on unaudited numbers.

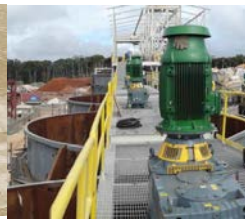
All references to $ are Australian dollars unless otherwise stated.

CORPORATE

Directors

Fred Grimwade, Acting Non-Executive Chairman
Martin Purvis, CEO
Ken Nilsson, Executive Director
David Dix, Non-Executive Director
John Jones, Non-Executive Director
Richard Monti, Non-Executive Director

Issued Capital (as at 27 January 2015)	
Ordinary Shares	333,610,873
Employee Share Appreciation Rights	1,679,000
Investec Bank Plc Options	10,000,000



The "Troy" Story

Troy (ASX: TRY) is a successful gold and silver producer with a track record of low cost mine development and production. The Company is unique amongst its peers having paid 13 fully franked cash dividends over the 13 years to 2012. The Company expects to recommence paying dividends once the Karouni Project is in production and circumstances permit.

Troy has been operating in South America since 2002. In July 2013 the Company acquired Azimuth Resources Limited which had discovered and delineated the Karouni Project, a high-grade gold Deposit in Guyana. The Company has fast tracked development of Karouni with first gold production in November 2015.

Troy is a responsible corporate citizen, committed to the best practice of health and safety, environmental stewardship and social responsibility.

For further information please contact:

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T: +61 8 9481 1277 | E: troy@troyres.com.au

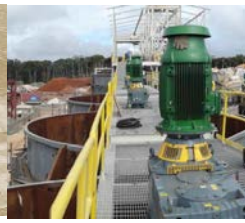
Competent Person's Statement

Karouni
The information in this report 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 announcement entitled Karouni Open-Cut Pre-Feasibility Study created on 28 July 2014 and is available to view on www.troyres.com.au.

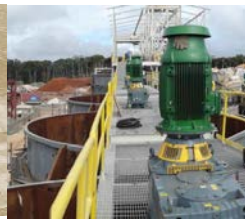
The information relating to the Karouni Mineral Resources and Ore Reserves is extracted from the announcement entitled 'Mineral Resources and Ore Reserves Update' created on 31 August 2015 and is available to view on www.troyres.com.au.

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.

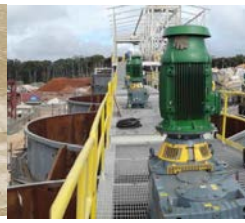


Appendix 1: Whitehall South Rock Sampling - Summary of Results					
Rock Chip Grab Sampling – Quartz Vein Outcrops					
Sample	**Sample Type**	**Easting (m)**	**Northing (m)**	**Elevation (m)**	**Assay (g/t gold)**
547042	Rock-Chip - Grab	265660.5	624928.9	74.9	23.92
599185	Rock-Chip - Grab	265664.5	624927.6	74.4	18.64
547036	Rock-Chip - Grab	265663.0	624929.0	74.5	9.77
599180	Rock-Chip - Grab	265649.2	624921.1	74.8	1.04
547040	Rock-Chip - Grab	265643.8	624919.9	74.7	0.91
599182	Rock-Chip - Grab	265648.0	624924.0	75.3	0.61
599173	Rock-Chip - Grab	265593.0	624952.0	83.3	0.38
599181	Rock-Chip - Grab	265632.0	624911,0	77.3	0.34
547044	Rock-Chip - Grab	265658.7	624933.2	75.6	0.12
547041	Rock-Chip - Grab	265640.7	624915.2	75.6	0.11

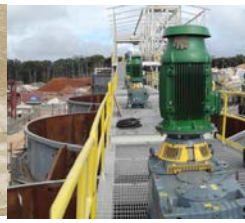
Appendix 2: Whitehall South Reverse Circulation/Aircore Drilling Summary of Results							
Hole	**Easting (m)**	**Northing (m)**	**Elevation (m)**	**Depth (m)**	**Azimuth**	**Dip**	**Assay Intervals (m at g/t gold)**
WRC025	266338.8	624275.5	77.5	28.0	N035E	-55	1m at 0.16g/t gold from 8m
WRC026	266363.1	624309.5	75.0	31.0	N035E	-55	1m at 0.09g/t gold from 19m
WRC028	266405.5	624374.7	78.5	49.0	N035E	-55	2m at 0.09g/t gold from 36m
WRC029	266431.2	624404.5	83.2	64.0	N035E	-55	4m at 0.10g/t gold from 52m
WRC031	266475.7	624468.4	84.4	67.0	N035E	-55	1m at 0.05g/t gold from 7m
WRC033	266526.9	624536.1	82.8	67.0	N035E	-55	1m at 0.16g/t gold from 57m
WRC056	266716.2	624096.5	89.8	96.0	N035E	-55	1m at 0.27g/t gold from 40m
WRC059	266855.3	624209.0	75.3	66.0	N035E	-55	3m at 0.2g/t gold from 17m
WRC060	266879.8	624239.5	76.2	79.0	N035E	-55	1m at 0.94g/t gold from 17m 1m at 0.62g/t gold from 34m 1m at 0.28g/t gold from 50m
WRC066	266881.3	623932.2	70.3	58.0	N035E	-55	1m at 0.2 g/t gold from 4m
WRC072	267015.2	624127.9	70.5	52.0	N035E	-55	1m at 0.3g/t gold from 40m
WRC073	267035.6	624156.5	66.3	40.0	N035E	-55	1m at 0.24g/t gold from 29m
WRC082	266536.3	624523.9	83.2	76.0	N200E	-55	1m at 0.15g/t gold from 34m
WRC083	266532.4	624506.5	85.1	52.0	N204E	-55	1m at 0.06g/t gold from 0m
WRC118	267265.1	623920.1	87.5	78.0	N035E	-55	1m at 0.22g/t gold from 57m
WRC121	267348.7	623680.5	73.9	66.0	N035E	-55	Pending
WRC122	267374.6	623714.2	80.1	63.0	N035E	-55	Pending
WRC123A	267396.9	623746.7	87.1	78.0	N035E	-55	Pending
WRC126	267421.1	623863.6	81.0	81.0	N035E	-55	Pending
WRC127	267442.0	623897.5	72.0	108.0	N035E	-55	1m at 0.51g/t gold from 67m 1m at 0.32g/t gold from 98m



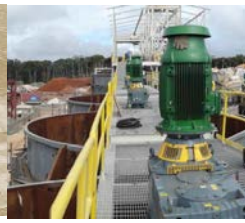
Guyana Karouni Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Technique	**Nature and quality of sampling (cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such 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 30g 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 current drilling is Aircore (AC) & Reverse Circulation (RC) drilling. The drill spacing is 320m or 160m spaced lines with angled holes drilled at 40m spacing on each line. During the quarter drilling with a Reverse Circulation (AC/RC) rig focused on the Whitehall Target located 5km NW of the Smarts Deposit.** **Total drilling completed during the quarter was 104 RC holes for 6,671m.** **A sample interval of 1m has been selected for the AC/RC drilling with proximity to gold mineralisation (buffer zone). This sample spacing ensures a representative sample weight is collected at a scale sufficient to define geological and mineralisation boundaries. The 1m samples are assayed at 1m intervals in visibly conspicuous mineralisation or otherwise composited to 3m intervals before assay. Any low grade internal zones are also assayed at 1m intervals and a sample buffer is placed before and after the mineralisation boundary to ensure the assays do not begin or end within high-grade mineralisation. 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).** • **The AC and RC drilling method will in general provide superior sample collection compared to open-hole drill methods (e.g. auger or RAB) and reduce the possibility of down-hole grade smearing or contamination.** **All AC/ 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. QA/QC procedures were completed as per industry best practice standards (certified blanks and standards and duplicate sampling).** **Whitehall South Chip samples were taken from exposed quartz veins.** **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 30g 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**	**Aircore/Reverse Circulation "RC" drilling comprises 5.5 inch diameter face sampling hammer drilling and hole depths range from 40m to 76m.** **Aircore/Reverse Circulation Rig supplied and operated by Major Drilling of Suriname.**



	what method, etc).	During the quarter 15 Reverse Circulation holes were drilled for 804m.
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.	AC/RC 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. AC/RC samples were visually checked for recovery, moisture and contamination. The Bulk of the AC/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. The AC/RC rig utilizes a Hammer system cutting toolwhich is a mechanically designed device consisting of many interconnected engineered components.. As the hammer penetrates through the material, Geologists and Company Technicians regularly collect chip samples recovery data for each and every hole drilled. This data is entered into the drilling database with percentage recovery recorded for each interval drilled.
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 AC/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 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 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.	AC/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 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 3:20 for RC. Field duplicates were taken on for both 1m RC splits and 3m composites for RC, using a riffle splitter.
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	The laboratory used an aqua regia digest followed by fire assay for 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.

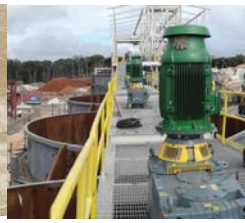


	applied and their derivation, etc. **Nature of quality control procedures adopted (standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (lack of bias) and precision have been established.**	**Laboratory QA/QC involves the use of internal lab standards using 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 Chile -Assayed by 30g 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 dispatched) and no duplicates.**
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.**	**Troy's QP P. Doyle has visually verified significant intersections in diamond core and RC drilling.** **Primary data was collected using a set of company standard ExcelTM templates on Toughbook laptop computer using lookup codes. The information was validated on-site by the Company's database technicians and then merged and validated into a final database.**
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 drillholes 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.**
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 AC/RC drillhole spacing for Brownfields Targets such as Whitehall South is 320m or 160m spaced lines with inclined 40m spaced holes drilled along each line.** **The nominal RC/DC drillhole spacing within the Resource areas is 50m by 50m and in places 25m (northwest) by 25m (northeast).** **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 been composited to one metre lengths, and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit).**
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**

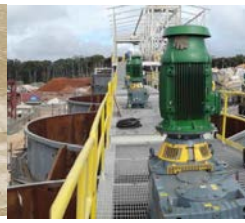


		to Actlabs, Georgetown, for sample preparation. **When applicable the sample pulps for assay are then delivered to DHL and freighted to Actlabs, Santiago assay laboratory.**
	JORC Code Explanation	**Whilst in storage, they are kept under guard in a locked yard. Tracking sheets are used to track the progress of batches of samples.**

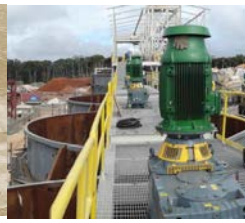
Section 2: Karouni Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Tenement and Land Tenure Status	**Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding 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 license 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 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 are provided for by the Act and the amount of royalty to be paid for mining licences 5%, however recent mineral agreements entered into stipulate a royalty of 8% if the gold price is above US$1,000 per ounce.**
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. **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 modeling 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 Palaeoproterozoic 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 and Larken Zones is associated with a shear zone that transects a sequence of mafic to intermediate volcanic, volcanoclastics 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 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 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.** **Gold mineralisation at the Smarts /Hicks Deposits are hosted by a northwest trending, sub-vertical to steeply southwest dipping shear zone some 2,500m in strike length and up to 60m wide in places. 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 brecciating. **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 magnesium basalts and along shear zones.**
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 Table 1 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. Complete detailed data on the project is included in the NI-43101 Tech Reports available on the Company's website with the current report dated September 8, 2014.**
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 drillhole angle is known, its nature should be reported. If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (downhole length, true width**	**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.**



	not known').	
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 as Figure 1 and Figure 2.**
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 "hole identification" shown.**
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.** **The Ground Magnetics survey work was performed on a grid cut at 100m line separation with 10m station intervals. Sufficient repeat readings and tie lines will be surveyed to level the magnetic data with historic ground magnetic data. Survey crews and equipment supplied by Quantec International Geophysical Contractors. A total of four GEM GSM-19 Overhauser Magnetometers (1 base station unit, 2 rover units) will be used to complete the survey.**	**Metallurgical testwork has been completed, with excellent results. Gold recoveries exceed 95% from CIL tests, and a significant proportion of the gold is recoverable by gravity concentration.** **Magnetics is a geophysical survey technique that exploits the considerable differences in the magnetic properties of minerals with the ultimate objective of characterizing the Earth's sub-surface. The technique requires the acquisition of measurements of the amplitude of the magnetic field at discrete points along survey lines distributed regularly throughout the area of interest.** **It is the induced and remnant fields that are of particular interest to the geoscientist because the magnitudes of these fields are directly related to the magnetic susceptibility, spatial distribution and concentration of the local crustal materials. Fortunately only a few minerals occur abundantly enough in nature to make a significant contribution to the induced and remnant fields.** **Once the main field and the minor source effects are removed from the observed magnetic field data via various data reduction and processing methods, the processed data serve as an indicator of the spatial distribution and concentration of the magnetically significant minerals. The ground magnetic data will be incorporated and levelled with the existing geophysical data from past surveys. Final data will be presented in digital format, including colour ground magnetic plan maps.**
Further Work	**The nature and scale of planned further work (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 infill drilling is ongoing, aimed at increasing the amount of resource categorized as Indicated, as well as upgrading some of the Indicated Resource to Measured status. Drilling aimed at increasing the Resource below the current depth extent is also planned.**