



TROY RESOURCES LIMITED

# ASX Release

4 May 2016

## TROY RESTRUCTURES INVESTEC FACILITY

**Perth, Western Australia:** Gold producer Troy Resources Limited (ASX:TRY) (Troy or the Company) is pleased to announce that positive operational performance at Karouni has enabled Troy to restructure the Investec Revolving Debt Facility (Facility) on more favourable terms. This follows a successful visit to Karouni in early April by a team of technical and financial representatives from Investec.

Key variations to the Facility include:

1. An extension of the loan term to 30 June 2018 from 30 June 2017.
2. Quarterly loan repayments as follows:

Date	Loan Repayment (US\$)
30 June 2016	3,750,000
30 September 2016	5,000,000
31 December 2016	5,000,000
31 March 2017	5,000,000
30 June 2017	4,000,000
30 September 2017	3,000,000
31 December 2017	3,000,000
31 March 2018	3,000,000
30 June 2018	11,192,000

3. A significant reduction in the margin rate.
4. A reduction in mandatory hedging requirements to 50,000oz and the existing hedge book smoothed out over an 18 month period (rather than 12 months) to increase exposure to the strong gold price at present. The quantum of the facility will be reviewed at six monthly intervals at Troy's request. Discretionary hedging lines for further gold hedging, as well as new lines for currency and fuel hedging, have also been made available to Troy.
5. Minimum liquidity requirement (including bullion on hand) reduced to A\$10 million.
6. No Debt Service Reserve Account.

The Company has in place a forward exchange contract that will convert the existing A\$60 million outstanding under the Facility to US\$42,942,000 at a rate of A\$/US\$ 0.7157 on 20 May 2016. The Facility documentation is currently in the process of being amended to reflect these variations, which should take effect by 20 May 2016.

Commenting on the Facility, Troy's Managing Director, Martin Purvis said: "This restructure puts in place a sustainable platform for the further growth and development of Troy. It also signals a watershed in the transformation of Troy's business model over the past 18 months. That journey has been very challenging for the Company and it's great to see those efforts being recognised by Investec and captured in this restructured Facility. Investec's support was fundamental to the successful development of Karouni and we now look forward to the next chapter in our long-standing relationship."

Investec Bank's Head of Resources, Anthony Hawke said: "Investec has had a long-term banking relationship with Troy and we congratulate the Company on its successful development, commissioning and ramp-up of production at its Karouni project. Through the project development period, Troy's management team had to navigate a number of diverse corporate and geographic challenges and it is a testament to the team's professionalism and capability that all the targeted outcomes were achieved. Investec is pleased to have Troy as a core client and we look forward to working further with the Company to support its growth plans."

### **Andorinhas**

The Company is also pleased to advise that it has received confirmation that the proposed Plan of Arrangement between Magellan Minerals Limited and Anfield Nickel Corp. (Acquisition Transaction) was approved by Magellan's shareholders on 28 April. Pursuant to the Company's agreement with Magellan, it will receive the remaining US\$1,995,000 for the sale of the Andorinhas processing plant and mining fleet within 10 days of closing of the Acquisition Transaction, which is expected to be in mid-May.

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