



**TROY RESOURCES LIMITED**  
ABN: 33 006 243 750

**TROY RESOURCES LIMITED  
RESULTS FOR ANNOUNCEMENT TO THE MARKET  
FOR THE YEAR ENDED 30 JUNE 2016**

Appendix 4E, previous corresponding period, year ended 30 June 2015.

<b>Revenue and net profit</b>		<b>Percentage change</b>		<b>Amount \$'000</b>
Revenue from continuing operations		N/a.	to	60,360
Loss from continuing operations after tax		N/a.	to	(13,428)
Loss from discontinued operations after tax	Down	12.5%	to	(80,232)
Loss after tax	Down	6.7%	to	(93,660)
Net loss attributable to members	Down	7.0%	to	(93,660)

<b>Dividend information</b>	<b>Amount per security (cents)</b>	<b>Franked amount per security (cents)</b>	<b>Tax rate full franking credit</b>
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No dividend for the financial year 2016 has been declared.

<b>Net tangible assets per security</b>	<b>Jun 2016 per share</b>	<b>Jun 2015 per share</b>
Net tangible assets per security	\$0.45	\$0.59
Common shares on issue at balance date	340,798,782	290,096,411

The above results should be read in conjunction with the notes and commentary contained in this report.



**TROY RESOURCES LIMITED**  
(ACN 006 243 750)

**APPENDIX 4E**

**PRELIMINARY FINAL REPORT**

**FOR THE FINANCIAL YEAR ENDED**

**30 JUNE 2016**



**TROY RESOURCES LIMITED**

Troy Resources Limited  
Appendix 4E Preliminary Final Report  
For the Financial Year Ended  
30 June 2016

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## Review of results

### (a) Production and sales

Troy Resources Limited and its subsidiaries (the "Company" or "Troy" or "Group") total production for the year was 82,826 gold equivalent ounces (2015: 121,835 gold equivalent ounces) or 60,743 ounces of gold and 1,668,604 ounces of silver (2015: 78,001 ounces of gold and 3,111,182 ounces of silver).

Group sales for the year totalled 87,153 gold equivalent ounces (2015: 122,184 gold equivalent ounces).

Troy's Karouni gold project in Guyana, South America ("Karouni") achieved commercial production in January 2016 and produced 34,740 ounces of gold for the six months to 30 June 2016 from the processing of 356,772 tonnes of ore at an average gold grade of 3.37 grams per tonne (g/t). Sales for Karouni totalled 32,732 gold ounces.

Karouni cash costs were US\$515 per gold ounce produced and All-in Sustaining costs (AISC) were US\$816 per gold ounce produced. The proceeds received from the sale of 4,984 gold ounces produced prior to commercial production were credited against the project's capitalised mine development costs.

Troy's Casposo gold silver operation in San Juan Province, Argentina ("Casposo") underwent a labour restructuring programme before the mine was placed on care and maintenance in late January. The plant completed processing activities and was also placed on care and maintenance in February. The Company reached agreement with Austral Gold Limited on 4 March to divest a 51% controlling interest in Casposo. Consequently, Casposo is reported as a discontinued operation during the period to 4 March 2016, with Troy's 49% minority interest after that time being equity accounted.

During the period to 4 March 2016 Casposo produced 17,214 ounces of gold (2015: 55,859) and 1,668,604 ounces of silver (2015: 3,111,182) from the processing of 271,977 tonnes (2015: 509,489) of ore at an average gold grade of 2.16g/t (2015: 3.73g/t) and silver grade of 230.23g/t (2015: 235.72g/t).

Casposo cash costs on a co-product basis were US\$984 per gold equivalent ounce (2015: US\$668). Total gold equivalent ounces produced at Casposo were 39,297 (2015: 99,963).

Troy's Andorinhas operation in Para State, Brazil ("Andorinhas") ceased operations in May 2016. The plant was sold to Anfield Gold Corp. with handover occurring during June 2016. Andorinhas is also reported as a discontinued operation in the current year.

Andorinhas produced 8,789 ounces of gold for the year (2015: 22,142 ounces) at an average cash cost of US\$976 per ounce (2015: US\$889). AISC were US\$1,110 per gold ounce (2015: US\$1,137).

The Group's available cash at 30 June 2016 was \$3.1 million (2015: \$59.8 million) which, together with Karouni gold inventories at market value, resulted in liquid assets of \$12.5 million.

### Gold equivalent ounces

Gold equivalent ounces produced are the result of converting silver ounces produced to an equivalent value of gold ounces using actual prices achieved and adding that to actual gold ounces produced.



## Review of results

### (b) Results

Total revenue for the year from continuing and discontinued operations decreased by 19% to \$145,377,000 (2015: \$180,789,000) (refer Note 5 to the financial statements).

The consolidated loss from continuing operations after tax for the year was \$13,428,000 (2015: loss \$8,674,000). The net loss after tax including discontinued operations was \$93,660,000 (2015: loss \$100,353,000).

The annual loss is reflected after bringing to account the following items:

	Continuing Operations (\$'000)	Discontinued Operations (\$'000)	FY16 (\$'000)	FY15 (\$'000)
(Loss) after tax	(13,428)	(80,232)	(93,660)	(100,353) <sup>(3)</sup>
Exploration expenditure gross	6,079	10	6,089	10,309 <sup>(3)</sup>
Exploration (capitalised)	-	-	-	(3,154) <sup>(1)</sup>
Government royalty expenses	5,039	3,579	8,618	8,077 <sup>(2)</sup>
Export tax expense	-	3,167	3,167	8,183 <sup>(2)</sup>
Depreciation and amortisation	29,749	3,483	33,232	37,700 <sup>(2)</sup>
Profit on sale of Andorinhas	-	6,027	6,027	-
FCTR losses recycled to P&L	-	87,373	87,373	-
Impairment loss Casposo	-	-	-	97,319 <sup>(2)</sup>

<sup>(1)</sup> Continuing operations. <sup>(2)</sup> Discontinued operations. <sup>(3)</sup> Both continuing and discontinued operations.

The loss per share on a fully diluted basis from continuing and discontinued operations is 29.6 cents, compared with loss of 49.4 cents in 2015.

### (c) Debt facilities

As at 30 June 2016, the Group's principal debt outstanding was a \$52,665,000 (US\$39,192,000) facility with Investec Bank Plc ("Investec"). At the commencement of the financial year, total principal outstanding to Investec was \$100,000,000. On 20 May 2016, Troy restructured the facility from an Australian dollar amount outstanding at that time of \$60,000,000 into a US dollar loan of US\$42,942,000 and changed a number of the key terms and conditions. Furthermore, the Company repaid \$45,000,000 in line with the repayment schedule.

Pursuant to the Investec Facility, the Company is required to maintain a minimum liquidity position of \$10,000,000 and 50,000 ounces of gold hedging over an eighteen month period.

### (d) Dividends

No dividend has been declared.

### (e) Exploration

Total exploration expenditure from continuing and discontinued operations for the year totalled \$6,089,000 (2015:\$10,309,000).

### (e) Hedge Contracts

Gold hedge contracts at 30 June 2016 totalled 66,000 ounces of gold at US\$1,103.50 per ounce.



## Review of results

**(f) Impairment testing**

Impairment testing was conducted on the Group's ongoing cash generating unit, being Karouni, at 30 June 2016 due to an indicator of impairment. The testing supported the recoverability of Karouni's carrying value at 30 June 2016. Further details are to be provided in the Group's audited financial statements which will be released by the end of September 2016.

**(g) Subsequent events**

For details of significant events subsequent to balance date please refer to Note 8 on page 18 of this preliminary financial report.

**(h) Additional information**

Additional information on the Company's activities is available on its web site at [www.troyres.com.au](http://www.troyres.com.au). Information available includes the detailed quarterly activities reports for the March and June 2016 periods, the 2015 Annual Report, Corporate Governance policies and other Company information and publications.



**Consolidated statement of profit or loss for  
the financial year ended 30 June 2016**

	Notes	2016 \$'000	2015 \$'000
<b>Continuing Operations</b>			
Revenue	2	60,360	-
Cost of sales		(57,301)	-
<b>Gross Profit</b>	3	3,059	-
Other income	2	344	688
Net foreign exchange gains		132	3,624
Share of (losses) from associate		(2,950)	-
Exploration expenses (net)	3	(6,079)	(3,850)
Administration expenses	3	(6,354)	(6,689)
Other expenses	3	(755)	(279)
Finance costs	3	(3,131)	(4,424)
Impairment loss		-	(547)
<b>Loss before income tax</b>		(15,734)	(11,477)
Income tax benefit		2,306	2,803
<b>Loss for the Year – Continuing Operation</b>		(13,428)	(8,674)
<b>Loss for the Year – Discontinued Operations</b>	4	(80,232)	(91,679)
<b>LOSS FOR THE YEAR</b>		(93,660)	(100,353)
Loss attributable to:			
Owners of the parent		(93,660)	(100,666)
Non-controlling interests		-	313
		(93,660)	(100,353)
<b>Loss per share (EPS)</b>			
From continuing and discontinued operations			
Basic EPS (cents)		(29.6)	(49.4)
Diluted EPS (cents)		(29.6)	(49.4)
From continuing operations			
Basic EPS (cents)		(4.2)	(49.4)
Diluted EPS (cents)		(4.2)	(49.4)

Notes to the consolidated financial statements are included on pages 12 to 18.

**Consolidated statement of profit or loss and other comprehensive income for  
the financial year ended 30 June 2016**

		<b>2016</b>	2015
	<b>Notes</b>	<b>\$'000</b>	\$'000
<b>Loss for the year</b>		<b>(93,660)</b>	(100,353)
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss</b>			
Changes in value of cash flow hedge reserve net of deferred tax		<b>(20,304)</b>	9,051
Exchange differences on translation of foreign operations - continuing		<b>(1,180)</b>	28,515
- reclassified to profit and loss on disposal/closure	4	<b>87,373</b>	-
Other comprehensive income		<b>65,889</b>	37,566
<b>Total comprehensive income for the year</b>		<b>(27,771)</b>	(62,787)
Total comprehensive income attributable to:			
Owners of the parent		<b>(27,771)</b>	(63,100)
Non-controlling Interests		-	313
		<b>(27,771)</b>	(62,787)

Notes to the consolidated financial statements are included on pages 12 to 18.





**Consolidated statement of financial position as at 30 June 2016**

	Notes	2016 \$'000	2015 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		3,436	60,556
Trade and other receivables		12,915	12,669
Inventories		8,403	16,615
Current tax assets		-	398
Hedge asset		-	5,938
<b>TOTAL CURRENT ASSETS</b>		<b>24,754</b>	<b>96,176</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		87,288	131,418
Mining properties		148,721	-
Development property		-	95,756
Investments in associate		1,074	-
Deferred tax assets		1,775	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>238,858</b>	<b>227,174</b>
<b>TOTAL ASSETS</b>		<b>263,612</b>	<b>323,350</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		21,395	21,514
Provisions		4,095	8,247
Hedge liability		14,351	-
Borrowings	6	23,817	40,700
<b>TOTAL CURRENT LIABILITIES</b>		<b>63,658</b>	<b>70,461</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables		-	1,494
Deferred tax liabilities		12,006	13,656
Provisions		3,177	7,643
Hedge Liability		5,527	-
Borrowings	6	25,418	57,841
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>46,128</b>	<b>80,634</b>
<b>TOTAL LIABILITIES</b>		<b>109,786</b>	<b>151,095</b>
<b>NET ASSETS</b>		<b>153,826</b>	<b>172,255</b>
<b>EQUITY</b>			
Issued capital	7	314,576	305,311
Reserves		14,874	(51,092)
Retained earnings		(175,624)	(81,964)
<b>TOTAL EQUITY</b>		<b>153,826</b>	<b>172,255</b>

Notes to the consolidated financial statements are included on pages 12 to 18.



TROY RESOURCES LIMITED

Troy Resources Limited  
Appendix 4E Preliminary Final Report  
For the Financial Year Ended  
30 June 2016

## Consolidated statement of changes in equity for the financial year ended 30 June 2016

	Issued Capital	Available for Sale Reserve	Share Based Payments Reserve	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Retained Earnings	Attributable to Equity Holder of Parent	Non- controlling interest	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2014</b>	<b>269,689</b>	-	<b>5,696</b>	<b>(3,735)</b>	<b>(93,724)</b>	<b>18,702</b>	<b>196,628</b>	<b>(313)</b>	<b>196,315</b>
Loss for the year	-	-	-	-	-	(100,666)	(100,666)	313	(100,353)
Changes in fair value of hedging instrument net of deferred tax	-	-	-	9,051	-	-	9,051	-	9,051
Exchange rate differences on translation of foreign operations	-	-	-	-	28,515	-	28,515	-	28,515
<b>Total comprehensive income for the year</b>	-	-	-	<b>9,051</b>	<b>28,515</b>	<b>(100,666)</b>	<b>(63,100)</b>	<b>313</b>	<b>(62,787)</b>
Issue of fully paid shares - capital raising	37,933	-	-	-	-	-	37,933	-	37,933
Share issue costs	(2,584)	-	-	-	-	-	(2,584)	-	(2,584)
Issue of fully paid shares on exercise of options	138	-	(103)	-	-	-	35	-	35
Issue of fully paid shares under employee bonus plan	135	-	-	-	-	-	135	-	135
Share-based borrowing costs	-	-	3,053	-	-	-	3,053	-	3,053
Share-based payments	-	-	155	-	-	-	155	-	155
<b>Balance at 30 June 2015</b>	<b>305,311</b>	-	<b>8,801</b>	<b>5,316</b>	<b>(65,209)</b>	<b>(81,963)</b>	<b>172,255</b>	-	<b>172,255</b>
<b>Balance at 1 July 2015</b>	<b>305,311</b>	-	<b>8,801</b>	<b>5,316</b>	<b>(65,209)</b>	<b>(81,964)</b>	<b>172,255</b>	-	<b>172,255</b>
Loss for the year	-	-	-	-	-	(93,660)	(93,660)	-	(93,660)
Changes in fair value of hedging instrument net of deferred tax	-	-	-	(20,304)	-	-	(20,304)	-	(20,304)
Exchange rate differences on translation of foreign operations	-	-	-	-	86,193	-	86,193	-	86,193
<b>Total comprehensive income for the year</b>	-	-	-	<b>(20,304)</b>	<b>86,193</b>	<b>(93,660)</b>	<b>(27,771)</b>	-	<b>(27,771)</b>
Issue of fully paid shares - capital raising	10,000	-	-	-	-	-	10,000	-	10,000
Share issue costs	(735)	-	-	-	-	-	(735)	-	(735)
Share-based payments	-	-	77	-	-	-	77	-	77
<b>Balance at 30 June 2016</b>	<b>314,576</b>	-	<b>8,878</b>	<b>(14,988)</b>	<b>20,984</b>	<b>(175,624)</b>	<b>153,826</b>	-	<b>153,826</b>

Notes to the consolidated financial statements are included on pages 12 to 18.



**Consolidated statement of cash flows for  
the financial year ended 30 June 2016**

	Notes	2016 \$'000	2015 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		138,374	180,164
Payments to suppliers and employees		(111,896)	(120,814)
Export tax and government royalties paid		(8,768)	(15,406)
Net proceeds from commodity hedging		11,893	-
Proceeds from sundry income		97	68
Income taxes paid		(1,359)	(2,558)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>28,341</b>	<b>41,454</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(29,132)	(73,562)
Payments for mine and development properties		(7,735)	(4,294)
Payments for underground development and capital equipment at Casposo		-	(31,513)
Payments for exploration properties capitalised		-	(3,154)
Payments for power line commitments		-	(862)
Proceeds on sale of property, plant and equipment		4,756	599
Net cash disposed on sale of Troy Resources Argentina Ltd.		(8,148)	-
Net cash disposed on sale of Sertao Mineração Ltda		-	(12)
Interest received		334	607
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(39,925)</b>	<b>(112,191)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	60,000
Repayments of borrowings		(45,006)	(739)
Payment of financing costs		(10,197)	(7,301)
Net proceeds from the issue of equity securities		9,265	35,384
<b>NET CASH (USED) / PROVIDED BY FINANCING ACTIVITIES</b>		<b>(45,938)</b>	<b>87,344</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(57,522)</b>	<b>16,607</b>
Cash and cash equivalents at the beginning of the financial year		60,556	43,409
Effects of exchange rate changes on balances held in foreign currencies		402	540
<b>Cash and cash equivalents at end of the financial year</b>		<b>3,436</b>	<b>60,556</b>

Notes to the consolidated financial statements are included on pages 12 to 18.

Refer to Note 4 for information relating to cash flows associated with discontinued operations.



**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016**

**1. Basis of preparation**

This preliminary final report for Troy Resources Limited (Troy) and its controlled entities (Group) has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. Certain comparative information has been reclassified to aid in comparability with the current financial year.

**2. Revenue**

	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>(i) Operating revenue - continuing operations</u></b>		
Gold sales	<b>53,327</b>	-
Silver sales	<b>30</b>	-
Hedge gains (net)	<b>7,003</b>	-
	<b>60,360</b>	-
<b><u>(ii) Other income</u></b>		
Interest received - bank	<b>297</b>	620
Other	<b>47</b>	68
	<b>344</b>	688

**3. Expenses**

**(i) Key Operating Expenses**

Depreciation of property, plant & equipment		
- Cost of sales – continuing operations	<b>8,904</b>	-
- Cost of sales – discontinued operations	<b>3,483</b>	9,796
- Administration expenses	<b>121</b>	149
	<b>12,508</b>	9,945
Amortisation of mining properties		
- Cost of sales – continuing operations	<b>20,724</b>	-
- Cost of sales – discontinued operations	-	27,755
	<b>20,724</b>	27,755
Total Depreciation and Amortisation	<b>33,232</b>	37,700
Government royalties		
- Cost of sales – continuing operations	<b>5,039</b>	-
- Cost of sales – discontinued operations	<b>3,579</b>	8,077
	<b>8,618</b>	8,077
Export tax and other taxes - discontinued operation	<b>3,167</b>	8,183
<b><u>(ii) Exploration expenditure</u></b>		
Exploration expenditure incurred	<b>6,079</b>	7,004
Exploration capitalised (net of write-offs)	-	(3,154)
Exploration expenditure incurred – discontinued operations	<b>10</b>	3,305
Exploration expenses (net)	<b>6,089</b>	7,155

**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016**

<b>3. Expenses (continued)</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>
<b><u>(iii) Administration expenses</u></b>		
Head office salaries and on-costs	2,484	2,307
Previous Managing Director entitlements	-	349
Expatriate salary and termination entitlements	201	-
Directors fees and on-costs	397	639
Other Brazil administration	95	129
Depreciation – furniture and equipment	121	149
Canadian office and administration	511	680
Other Head office administration <sup>(i)</sup>	2,545	2,436
	<b>6,354</b>	<b>6,689</b>
<b><u>(iv) Other expenses</u></b>		
Share based payments	77	155
Doubtful VAT receivable	583	-
Loss on sale of assets	95	124
	<b>755</b>	<b>279</b>
<b><u>(v) Finance costs</u></b>		
Borrowing costs	4,627	2,719
Rehabilitation provisions unwinding of discount	283	-
Hedge finance costs	(1,779)	1,705
	<b>3,131</b>	<b>4,424</b>

<sup>(i)</sup> Includes listing fees, shareholder costs, audit fees, taxation consultants, office rent, insurance, travel and other head office administration expenditure.



**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016**

<b>4. Discontinued Operations</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>
<b>Loss for the year from discontinued operations</b>		
Casposo Gold Silver Project - Argentina	<b>(74,929)</b>	(93,802)
Andorinhas Gold Project - Brazil	<b>(5,303)</b>	2,123
	<b>(80,232)</b>	(91,679)

A 51% controlling stake in Casposo held via Troy Resources Argentina Ltd was sold on the 4 March 2016. As a result of the disposal, Casposo is reported as a discontinuing operation. The project was deconsolidated from the Group on that date. Troy's 49% interest is equity accounted as an associate.

<b>Casposo</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>
Gold sales	<b>30,243</b>	82,872
Silver sales	<b>39,828</b>	62,854
Hedge gains (net)	-	2,612
<b>Total Revenue</b>	<b>70,071</b>	148,338
Cost of Sales	<b>(67,849)</b>	(135,842)
<b>Gross Profit</b>	<b>2,222</b>	12,496
Exploration expenses (net)	<b>(10)</b>	(3,305)
Net foreign exchange (loss)	<b>(756)</b>	(1,247)
Restructuring costs	<b>(5,546)</b>	-
Borrowing costs	<b>(192)</b>	-
Impairment loss – non-cash charge	-	(97,319)
<b>Loss before income tax</b>	<b>(4,282)</b>	(89,375)
Attributable income tax credit (expense)	<b>2,364</b>	(4,427)
<b>Loss after income tax, before sale</b>	<b>(1,918)</b>	(93,802)
Proceeds from sale of Casposo (51%)	<b>4,064</b>	-
Book value of project sold	<b>(5,742)</b>	-
Foreign currency translation reserve loss, recycled to the profit and loss statement on disposal	<b>(71,333)</b>	-
Attributable income tax expense on sale	-	-
<b>Loss for the year from discontinued operation</b>	<b>(74,929)</b>	(93,802)

**Cash flows from discontinued operation:**

Net cash inflows / (outflows) from operating activities	<b>(1,542)</b>
Net cash inflows / (outflows) from investing activities	<b>(150)</b>
Net cash inflows / (outflows) from financing activities	<b>1,636</b>
Net cash outflows	<b>(56)</b>

**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016****4. Discontinued Operations (Continued)**

Andorinhas was closed during May 2016 with the plant and remaining inventories being sold and handed over to a third party. As a result, the project has been reported as a discontinued operation.

<b><u>Andorinhas</u></b>	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Gold sales	<b>14,946</b>	32,451
Cost of Sales	<b>(11,702)</b>	(31,912)
<b>Gross Profit</b>	<b>3,244</b>	539
Profit on sale of plant and inventories at closure	<b>6,027</b>	-
Net foreign exchange gains	<b>2,401</b>	625
Closure costs	<b>(995)</b>	-
Other income / (expenses)	<b>50</b>	360
<b>Profit before income tax</b>	<b>10,727</b>	1,524
Attributable income tax credit	<b>10</b>	599
<b>Profit after income tax at closure of gold operations</b>	<b>10,737</b>	2,123
Foreign currency translation reserve loss, recycled to the profit & loss statement	<b>(16,040)</b>	-
<b>(Loss) for the year from discontinued operation</b>	<b>(5,303)</b>	2,123

**Cash flows from discontinued operation:**

Net cash inflows / (outflows) from operating activities	<b>162</b>
Net cash inflows / (outflows) from investing activities	<b>4,756</b>
Net cash inflows / (outflows) from financing activities	<b>(2,283)</b>
Net cash flows	<b>2,635</b>



**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016**

**5. Segment reporting**

The following is an analysis of the Group's revenue and results by reportable operating segment for the current and prior year:

	Note	Segment revenue Year ended		Segment loss Year ended	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
<b>Continuing Operations:</b>					
Guyana		53,357	-	(3,944)	-
Hedge gains (net)		7,003	-	7,003	-
		<b>60,360</b>	-	<b>3,059</b>	-
<b>Discontinued Operations:</b>					
Argentina		70,071	145,726	2,222	9,884
Brazil		14,946	32,451	3,244	539
Hedge gains (net)		-	2,612	-	2,612
		<b>85,017</b>	<b>180,789</b>	<b>5,466</b>	<b>13,035</b>
<b>Total Operations</b>		<b>145,377</b>	<b>180,789</b>	<b>8,525</b>	<b>13,035</b>
<b>Exploration:</b>					
Guyana				(6,079)	(7,004)
Capitalised Guyana				-	3,154
Argentina – discontinued				(10)	(3,305)
<b>Total Exploration</b>				<b>(6,089)</b>	<b>(7,155)</b>
<b>Total Segments</b> (before impairment loss)		<b>145,377</b>	<b>180,789</b>	<b>2,436</b>	<b>5,880</b>
Other gains (losses) - discontinued operations	4			(88,062)	(97,581)
Income tax (expense) benefit – discontinued operations	4			2,374	(3,828)
Other income				344	688
Share of (losses) from associates				(2,950)	-
Net foreign exchange gains / (losses)				132	3,624
Corporate administration				(6,354)	(6,689)
Other expenses				(755)	(279)
Finance costs				(3,131)	(4,424)
Impairment loss				-	(547)
Income tax benefit				2,306	2,803
<b>Loss for the year</b>				<b>(93,660)</b>	<b>(100,353)</b>





**Notes to the consolidated financial statements for  
the financial year ended 30 June 2016**

**5. Segment reporting (continued)**

The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the year.

Segment profit represents the profit earned by each segment without the allocation of central administration costs, directors' salaries, interest income, expenses in relation to corporate facilities, and tax expense. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

The following is an analysis of the consolidated entity's assets and liabilities by reportable segment:

<b>Total assets</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>
<b>Operations:</b>		
Guyana – continuing operation	<b>251,294</b>	225,327
Argentina – discontinued operation	-	27,995
Brazil – discontinued operation	-	2,425
<b>Total segment assets:</b>	<b>251,294</b>	255,747
Cash and cash equivalents <sup>(i)</sup>	<b>3,436</b>	60,556
Tax assets <sup>(i)</sup>	<b>1,775</b>	398
Receivables and other assets <sup>(i)</sup>	<b>7,107</b>	711
Hedge asset <sup>(i)</sup>	-	5,938
<b>Total assets</b>	<b>263,612</b>	323,350

<sup>(i)</sup> Unallocated assets include various assets including cash held at a corporate level that have not been allocated to the underlying segments. The current year includes receivables due on the sales of discontinued operations.

The following is an analysis of the consolidated entity's liabilities by reportable segment:

<b>Total liabilities</b>	<b>2016 \$'000</b>	<b>2015 \$'000</b>
<b>Operations:</b>		
Guyana – continuing operation	<b>22,989</b>	7,497
Argentina – discontinued operation	-	25,229
Brazil – discontinued operation - closure liabilities	<b>2,846</b>	4,755
<b>Total segment liabilities:</b>	<b>25,835</b>	37,481
Income tax liabilities <sup>(ii)</sup>	<b>12,006</b>	13,656
Borrowings <sup>(ii)</sup>	<b>49,235</b>	98,541
Hedge liability <sup>(ii)</sup>	<b>19,878</b>	-
Other liabilities <sup>(ii)</sup>	<b>2,832</b>	1,417
<b>Total liabilities</b>	<b>109,786</b>	151,095

<sup>(ii)</sup> Unallocated liabilities include tax liabilities, deferred consideration, corporate level entitlements and consolidated entity borrowings not specifically allocated to any one underlying segment.



TROY RESOURCES LIMITED

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Appendix 4E Preliminary Final Report  
For the Financial Year Ended  
30 June 2016

## Notes to the consolidated financial statements for the financial year ended 30 June 2016

### 6. Borrowings

	<b>2016</b>	2015
	<b>\$'000</b>	\$'000
Investec Bank Plc – Syndicated debt facility	<b>52,665</b>	100,000
Capitalised borrowing costs	<b>(3,430)</b>	(2,221)
ICBC (Argentina) S.A. – debt facility	-	762
	<b>49,235</b>	98,541
Current	<b>23,817</b>	40,700
Non-current	<b>25,418</b>	57,841
	<b>49,235</b>	98,541

### 7. Issued capital

#### Fully paid ordinary share capital

	2016		2015	
	No.	\$	No.	\$
	'000	'000	'000	'000
Balance at the beginning of the financial year	<b>290,096</b>	<b>305,311</b>	195,035	269,690
Issue of fully paid shares on exercise of options	-	-	61	138
Issue of fully paid shares in lieu of cash bonus	-	-	169	135
Issue of fully paid shares to landowners in Guyana <sup>(i)</sup>	<b>703</b>	-	-	-
Issue of fully paid shares – capital raising	<b>50,000</b>	<b>9,265</b>	94,831	35,349
	<b>340,799</b>	<b>314,576</b>	290,096	305,311

<sup>(i)</sup> Issued pursuant to the terms of agreement between Azimuth Resources Limited and landholders in Guyana.

### 8. Subsequent events

On 23 August 2016 the Company provided guidance on its forecast production for the FY2017 year of between 85,000 and 95,000 ounces of gold, at C1 cash costs of US\$500 to US\$600 per ounce and All-in sustaining costs of US\$750 to US\$850 per ounce.

### 9. Information on audit

This preliminary final report is based on accounts which are in the process of being audited.

Signed on behalf of the Directors

**Mr Fred Grimwade**

Non-Executive Chairman of Directors

Perth, Western Australia

Date: 29 August 2016