



# TROY RESOURCES NL

ABN 33 006 243 750

All Correspondence to:  
REGISTERED OFFICE  
Ground Floor  
44 Ord Street  
West Perth 6005  
Western Australia  
Telephone: (61 8) 9481 1277  
Facsimile: (61 8) 9321 8237  
Email: [troy@troyres.com.au](mailto:troy@troyres.com.au)  
Web Site: [www.troyres.com.au](http://www.troyres.com.au)

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## PRESS RELEASE

15 March 2011

### **Kamila Extension Drilling Yields 13.2m at 26.95g/t Au\_eq or 8.37g/t Au and 1300.98g/t Ag from 344.0m downhole**

#### HIGHLIGHTS

- Preliminary results for Hole CA-11-295: From 344.0m to 357.2m: 13.2m at 8.37g/t Au and 1300.98g/t Ag or 26.95g/t Au\_eq
- First high grade intercept in the Inca Vein outside the existing Resource and on the southeast of the second post mineral dyke extending the area of known mineralisation

**PERTH, Western Australia:** Troy Resources NL ("Troy") (TSX: TRY, ASX: TRY) is pleased to announce the preliminary results for hole **CA-11-295** which includes **13.2m from 344.0m to 357.2m: at 8.37 g/t Au and 1300.98 g/t Ag.**

On 6 January, 2011 Troy commenced drilling on the extensions of the main veins that comprise the Kamila Deposit. The purpose of the current program is to test the known veins (**Inca Vein, B Vein, Aztec Vein and SE Extension Vein**) at depth and along strike through a series of infill and step-out extensional drill holes within the structurally complex northwest southeast corridor that hosts the Kamila and Mercado Deposits.

To date 15 holes (5,076.7m) have been completed with assays received for 13 holes and drilling is ongoing. The best result received to date is an intercept of the **Inca Vein from Hole CA-11-295** that yielded **13.2m at 8.37g/t Au and 1300.98g/t Ag (26.95g/t Au\_eq at 1 Au : 70 Ag) from 344.0m downhole.** This intercept is located southeast of the second rhyolite dyke and outside the current Resource model. The current drilling has confirmed that both **Inca Vein** and the **SE Extension Vein** are mineralised and continue to the southeast beyond the second rhyolite dyke which represents potential extensions to the underground Resource but additional drilling is required and planned.

**Note the gold equivalent calculation assumes a conversion of 70 to 1 for silver to "gold equivalent", which was the basis for the 2009 NI43-101 Reserve and Resources report and reflected the differences in gold and silver metallurgical recoveries and the gold and silver prices assumed at that time. Because the silver price has appreciated more than the gold price, a calculation using gold at US\$1420/oz and silver at US\$35/oz would give an in-situ gold equivalent grade of 40.43g/t Au\_eq (before metallurgical recoveries are considered).**

The current drill program is designed to try and test at least two vein targets with each hole. **Hole CA-11-282** yielded a down dip intercept of **B Vein of 3.4m at 7.34g/t Au\_eq from 146.5m downhole.** **Hole CA-11-283** produced the best intercept of the **SE Extension Vein 2.1m at 2.90g/t Au\_eq from 120.1m downhole** (see Figure 1: Drill Collar Plan; Figure 2: Hole CA-11-295 Cross section; Figure 3: Generalised Longitudinal Section with 2011 Drilling Pierce Points and Intercepts; and Table 1 for a complete list of gold, silver and Au\_eq results).

Commenting on the news Troy's CEO, Paul Benson said: "This is a very significant and exciting result for Troy as it is the first high grade intercept outside of the current Reserves and Resources in the Kamila South East Extension. Being less than 500m laterally from the existing Kamila underground Reserves the areas could be easily accessed by underground development.

"Casposo is a low-sulphidation epithermal deposit. These types of deposits are structurally complex and require significant drilling. As has been seen at similar deposits of this style, such as Newcrest's Gosowong or Goldcorp's Cerro Negro, it often takes years of exploration before the high grade veins are discovered. We have many drill targets on the Casposo and Castaño Nuevo properties and are confident we will add to the existing Reserves and extend the mine life past the current planned 6 years. It is actually a surprise however that we have had such a good result just a couple of months into the exploration program.

"It is important to point out that we use the same price parameters (1 Au: 70 Ag) to calculate the "gold equivalent grade" as we used in the 2009 NI43-101 report to be consistent with our current Reserve statement. Because the silver price has risen proportionately more than the gold price since that date, the silver is more significant. Using current prices of around US\$1420/oz for gold and US\$35/oz for silver would give a gold equivalent **in-situ** grade of 40.43g/t Au<sub>eq</sub>".

ENDS

**For further information please contact:**

**Mr. Paul Benson**  
**Chief Executive Officer**  
**Troy Resources**  
**T: (61 8) 9481 1277**  
**E: [troy@troyres.com.au](mailto:troy@troyres.com.au)**

**Annette Ellis / Warrick Hazeldine**  
**Media Relations**  
**Purple Communications**  
**T: (61 8) 6314 6300**  
**E: [aellis@purplecom.com.au](mailto:aellis@purplecom.com.au)**

Geological information in this Report has been compiled by Troy's Vice President Exploration & Business Development, Peter Doyle, who:

- Is a full time employee of Troy Resources NL
- Has sufficient experience which is relevant to the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'
- Is a Fellow of the Australasian Institute of Mining and Metallurgy
- Has consented in writing to the inclusion of this data

*Information of a scientific or technical nature in this report was prepared under the supervision of Peter J. Doyle, Vice President Exploration and Business Development of Troy, a "qualified person" under National Instrument 43-101 – "Standards of Disclosure for Mineral Projects", a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Doyle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "competent person" as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Doyle has reviewed and approved the information contained in this report. For further information regarding the Company's Casposo Project in Argentina, including a description of Troy's quality assurance program, quality control measures, the geology, samples collection and testing procedures in respect of the Casposo project please refer to the technical reports filed Casposo Project, San Juan Province Argentina dated August 1<sup>st</sup>, 2009 which is available under the Company's profile at Sedar.com or on the Company's website.*

*This report contains forward-looking statements. These forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. A number of factors could cause actual results, performance, or achievements to differ materially from the results expressed or implied in the forward looking statements. Such factors include, among others, future prices of gold, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in ore grade or recovery rates, plant and/or equipment failure, delays in obtaining governmental approvals or in the commencement of operations.*

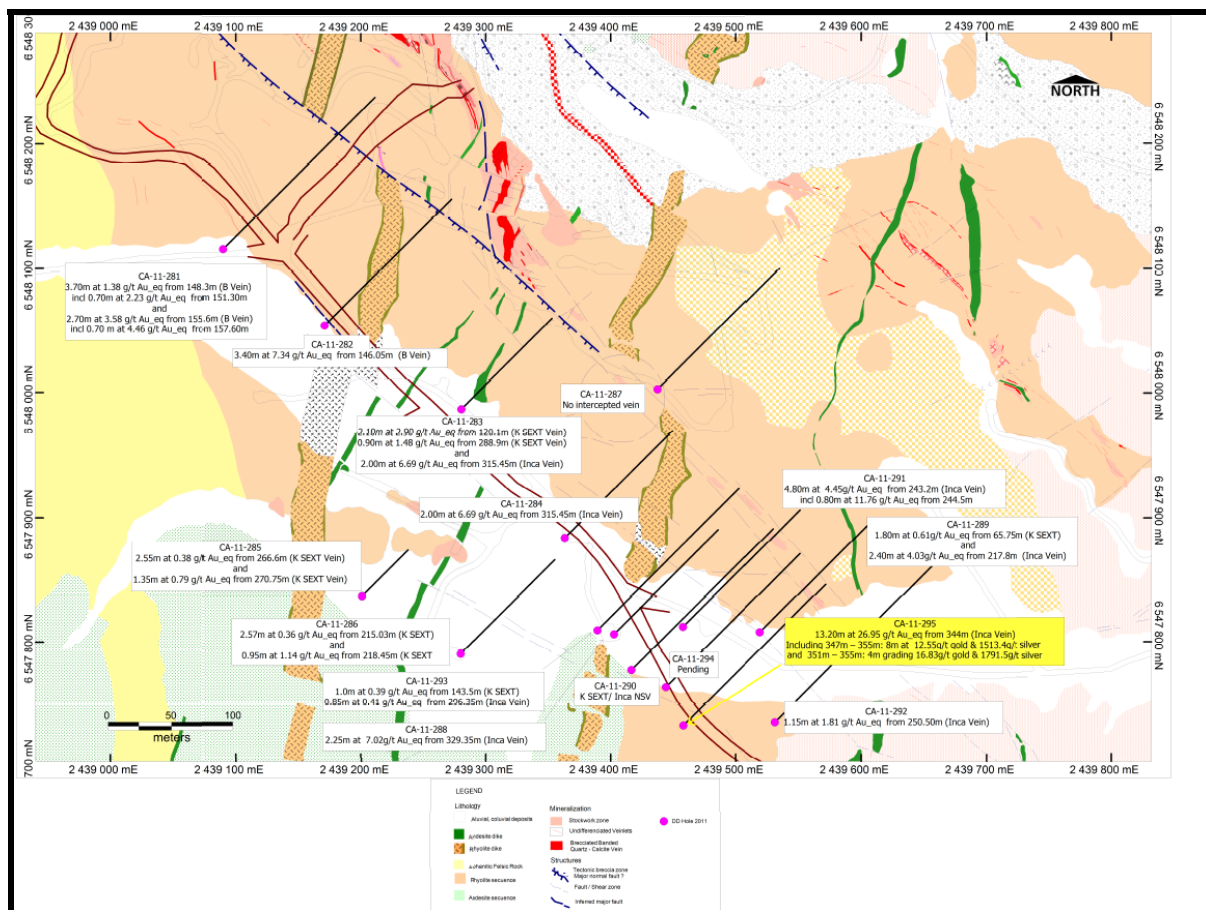


Figure 1: 2011 Drilling Kamila Zone Geology and Collars

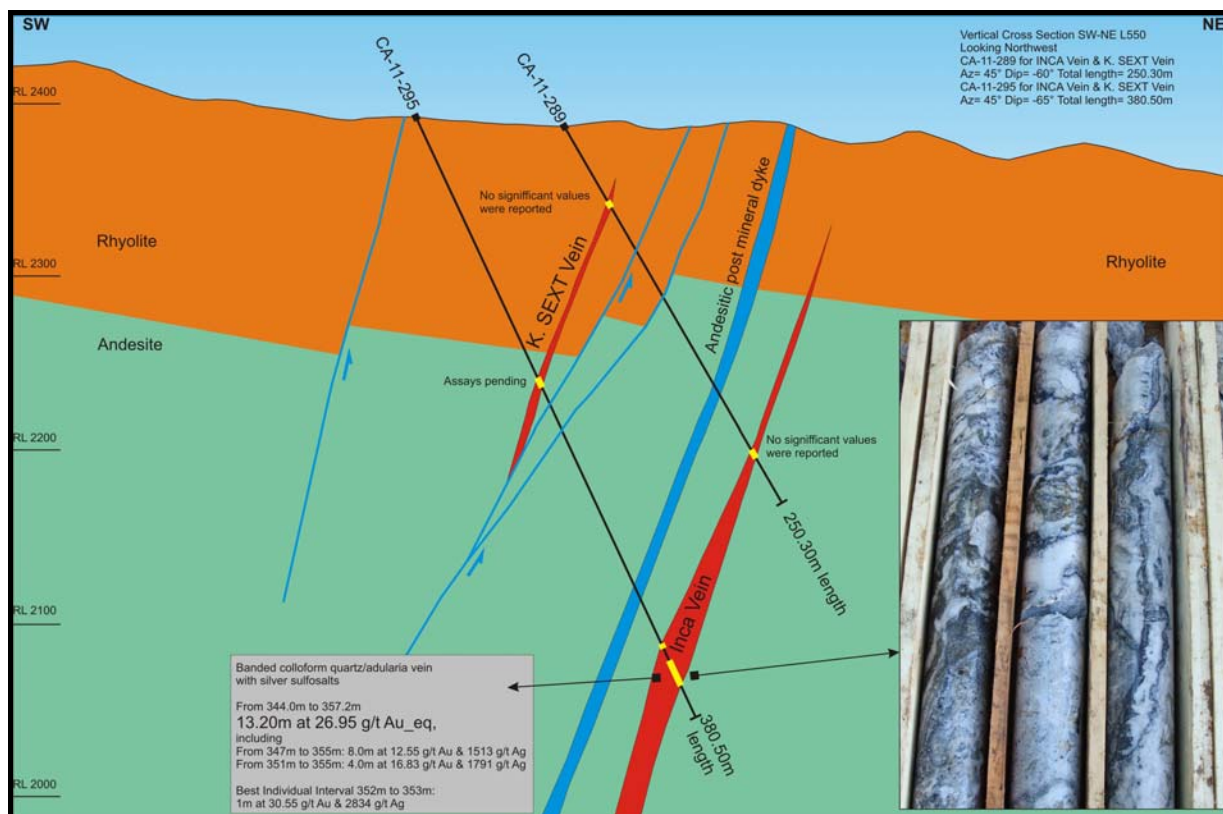


Figure 2: CA-11-289 & CA-11-295 Preliminary Cross-Section

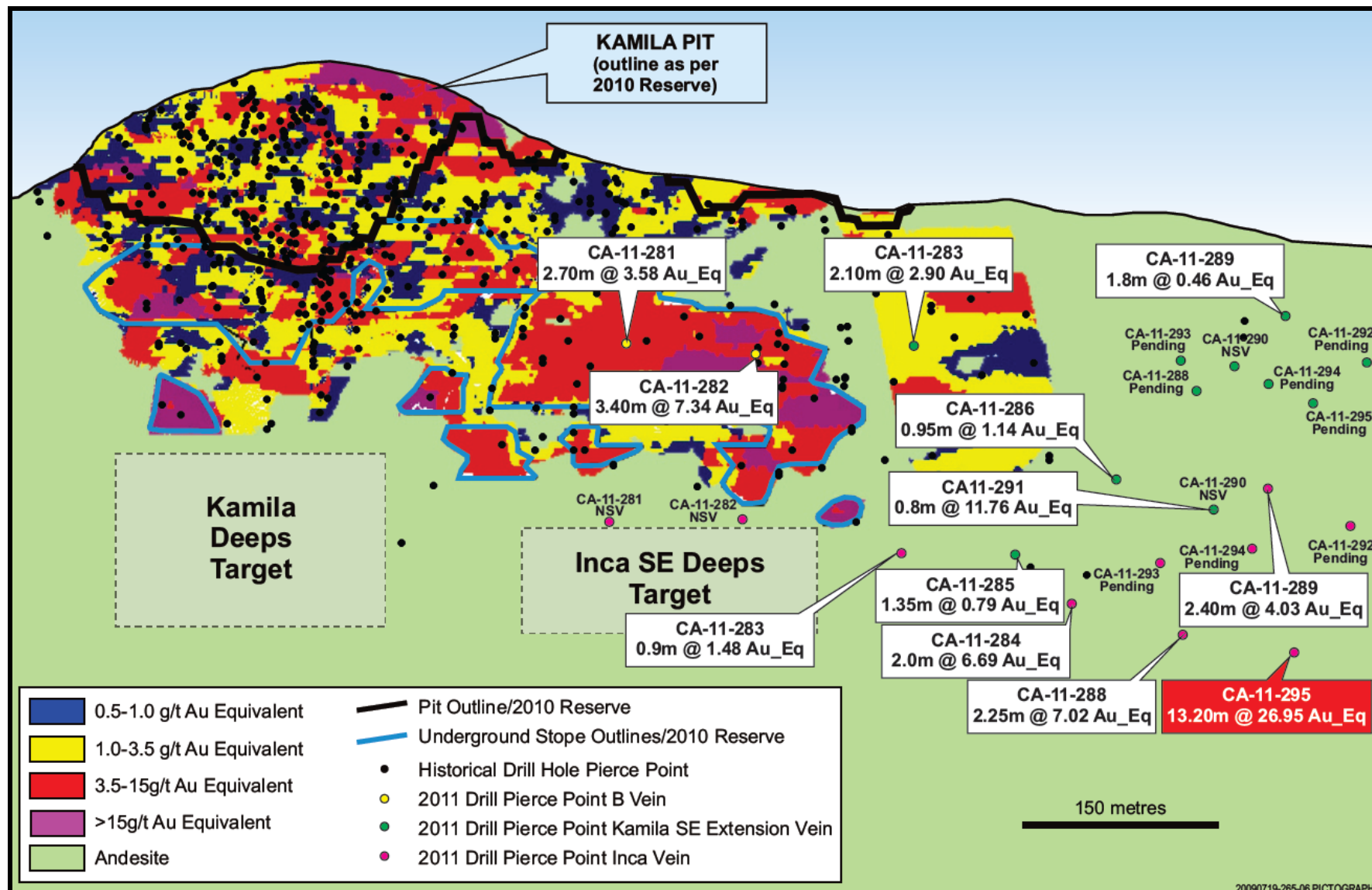


Figure 3: Generalised Longitudinal Section with 2011 Drilling Pierce Points and Intercepts



**TABLE 1: Significant Results 2011 Kamila SE Drilling**

Hole ID	Easting (m)	Northing (m)	Depth (m)	Az	Dip	From (m)	To (m)	Length* (m)	Gold Grade (g/t)	Silver Grade (g/t)	Grade (g/t) (Au_eq)	Interval (m at g/t Au_eq) - Vein
CA-11-281	2439090	6548115	344	45	-60	148.30	149.30	1.00	0.51	26	0.88	3.70m at 1.38 g/t Au_eq from 148.3m (B Vein)
						149.30	150.30	1.00	0.84	68	1.81	
						150.30	151.30	1.00	0.38	34	0.87	incl 0.70m at 2.23 g/t Au_eq from 151.30m
						151.30	152.00	0.70	1.74	34	2.23	
						155.60	156.60	1.00	0.83	123	2.59	2.70m at 3.58 g/t Au_eq from 155.6m (B Vein)
						156.60	157.60	1.00	1.23	191	3.96	
						157.60	158.30	0.70	1.12	234	4.46	incl 0.70 m at 4.46 g/t Au_eq from 157.60 m
												Inca Vein NSV
CA-11-282	2439171	6548054	340	45	-65	146.05	147.10	1.05	0.85	133	2.75	3.40m at 7.34 g/t Au_eq from 146.05m (B Vein)
						147.10	148.40	1.30	2.76	772	13.79	
						148.40	149.45	1.05	1.99	137	3.95	
												Inca Vein NSV
CA-11-283	2439280	6547987	302.2	45	-70	120.10	121.05	0.95	0.71	54	1.48	2.10m at 2.90 g/t Au_eq from 120.1m (K SEXT Vein)
						121.05	122.20	1.15	1.62	172	4.08	
						288.90	289.80	0.90	0.51	68	1.48	0.90m at 1.48 g/t Au_eq from 288.9m (K SEXT Vein)
CA-11-284	2439363	6547884	356.5	45	-70	315.45	316.45	1.00	1.19	348	6.16	2.00m at 6.69 g/t Au_eq from 315.45m (Inca Vein)
						316.45	317.45	1.00	1.48	401	7.21	
CA-11-285	2439201	6547791	299.6	45	-80							K SEXT NSV
						266.60	267.30	0.70	0.05	12	0.22	2.55m at 0.38 g/t Au_eq from 266.6m (K SEXT Vein)
						267.30	267.95	0.65	0.04	18	0.3	
						267.95	269.15	1.20	0.14	26	0.51	
						270.75	272.10	1.35	0.16	44	0.79	1.35m at 0.79 g/t Au_eq from 270.75m (K SEXT Vein)
CA-11-286	2439280	6547837	310.6	45	-70	215.03	215.90	0.87	0.08	19	0.35	2.57m at 0.36 g/t Au_eq from 215.03m (K SEXT)
						215.90	216.60	0.70	0.04	11	0.2	
						216.60	217.60	1.00	0.09	28	0.49	
						218.45	219.40	0.95	0.35	55	1.14	0.95m at 1.14 g/t Au_eq from 218.45m (K SEXT)
						CA-11-287	2439437	6548003	273.6	45	-60	
CA-11-288	2439403	6547808	344.5	45	-70							K SEXT NSV
						329.35	330.50	1.15	0.33	99	1.74	2.25m at 7.02g/t Au_eq from 329.35m (Inca Vein)
						330.50	331.60	1.10	2.17	726	12.54	
CA-11-289	2439519	6547806	250.3	45	-60	65.75	66.65	0.90	0.46	21	0.76	1.80m at 0.61g/t Au_eq from 65.75m (K SEXT)
						66.65	67.55	0.90	0.45	-2	0.42	
						217.80	218.70	0.90	0.89	106	2.4	2.40m at 4.03g/t Au_eq from 217.8m (Inca Vein)
						218.70	220.20	1.50	2.38	184	5.01	
CA-11-290	2439417	6547778	320.5	45	-60							K SEXT/ Inca NSV
CA-11-291	2439458	6547813	266.3	45	-60	243.20	243.70	0.50	1.43	259	5.13	4.80m at 4.45g/t Au_eq (Inca Vein)
						243.70	244.50	0.80	0.19	34	0.68	
						244.50	245.30	0.80	3.5	578	11.76	incl 0.80m at 11.76 g/t Au_eq from 244.5m
						245.30	246.20	0.90	1.54	251	5.13	
						246.20	247.10	0.90	0.25	49	0.95	
						247.10	248.00	0.90	1.37	168	3.77	
CA-11-292	2439531	6547736	367	45	-60							K SEXT NSV
						250.50	251.00	0.50	1.22	155	3.43	1.15m at 1.81 g/t Au_eq from 250.50m (Inca Vein)
						251.00	251.65	0.65	0.15	29	0.56	
CA-11-293	2439389	6547810	320.5	45	-60	143.50	144.50	1.00	0.35	3	0.39	1.0m at 0.39 g/t Au_eq from 143.5m (K SEXT)
						296.35	297.20	0.85	0.15	18	0.41	0.85m at 0.41 g/t Au_eq from 296.35m (Inca Vein)
CA-11-294	2439444	6547764	300	45	-60							(Inca & K SEXT Vein) - Assays Pending

TABLE 1: Significant Results 2011 Kamila SE Drilling (Cont.)												
CA-11-295	2439458	6547733	380.5	45	-65						(K SEXT Vein) - Assays Pending	
						343.00	344.00	1.00	Pending	Pending	Pending	PRELIMINARY RESULTS
						344.00	345.00	1.00	1.01	1134	17.21	13.20m at 26.95 g/t Au_eq from 344m (Inca Vein)
						345.00	346.00	1.00	0.51	438	6.77	Including 347m – 355m: 8m at 12.55g/t gold & 1513.4g/t silver
						346.00	347.00	1.00	0.81	582	9.12	and 351m – 355m: 4m grading 16.83g/t gold & 1791.5g/t silver
						347.00	348.00	1.00	21.55	2171	52.56	
						348.00	349.00	1.00	3.78	853	15.97	
						349.00	350.00	1.00	1.74	470	8.45	
						350.00	351.00	1.00	6.07	1447	26.74	
						351.00	352.00	1.00	15.65	1197	32.75	
						352.00	353.00	1.00	30.55	2834	71.04	Best individual Interval 352m – 353m: 1m at 30.55g/t gold & 2834g/t silver
						353.00	354.00	1.00	3.83	743	14.44	
						354.00	355.00	1.00	17.29	2392	51.46	
						355.00	355.60	0.60	4.46	696	14.40	
						355.60	356.40	0.80	3.71	1766	28.94	
						356.40	357.20	0.80	2.51	1352	21.82	

Notes:

Au\_eq grade calculated using a Gold to Silver ratio of 1:70.

NSV – No significant Results All samples were prepared and assayed by Alex Stewart (Assayers) Argentina Laboratory in Mendoza Argentina.

Au by FA and either a gravimetric or AAS finish, using method Au4-50 or Au4A 50 for samples with Au>10 g/t

Ag by three techniques: four-acid digestion followed by AAS reading for check samples up to February 2006, aqua regia digestion followed by inductively coupled plasma with optical emission spectroscopy (ICP-OES) reading for all samples in mineralised intersections after February 2006. Method numbers were GMA, ICP-AR-39 and Ag4A-50.