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# RIU EXPLORERS CONFERENCE 20 February 2019

Troy Resources Limited



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# Key Asset: Karouni Gold Mine, Guyana

## Why Guyana from a geopolitical perspective?

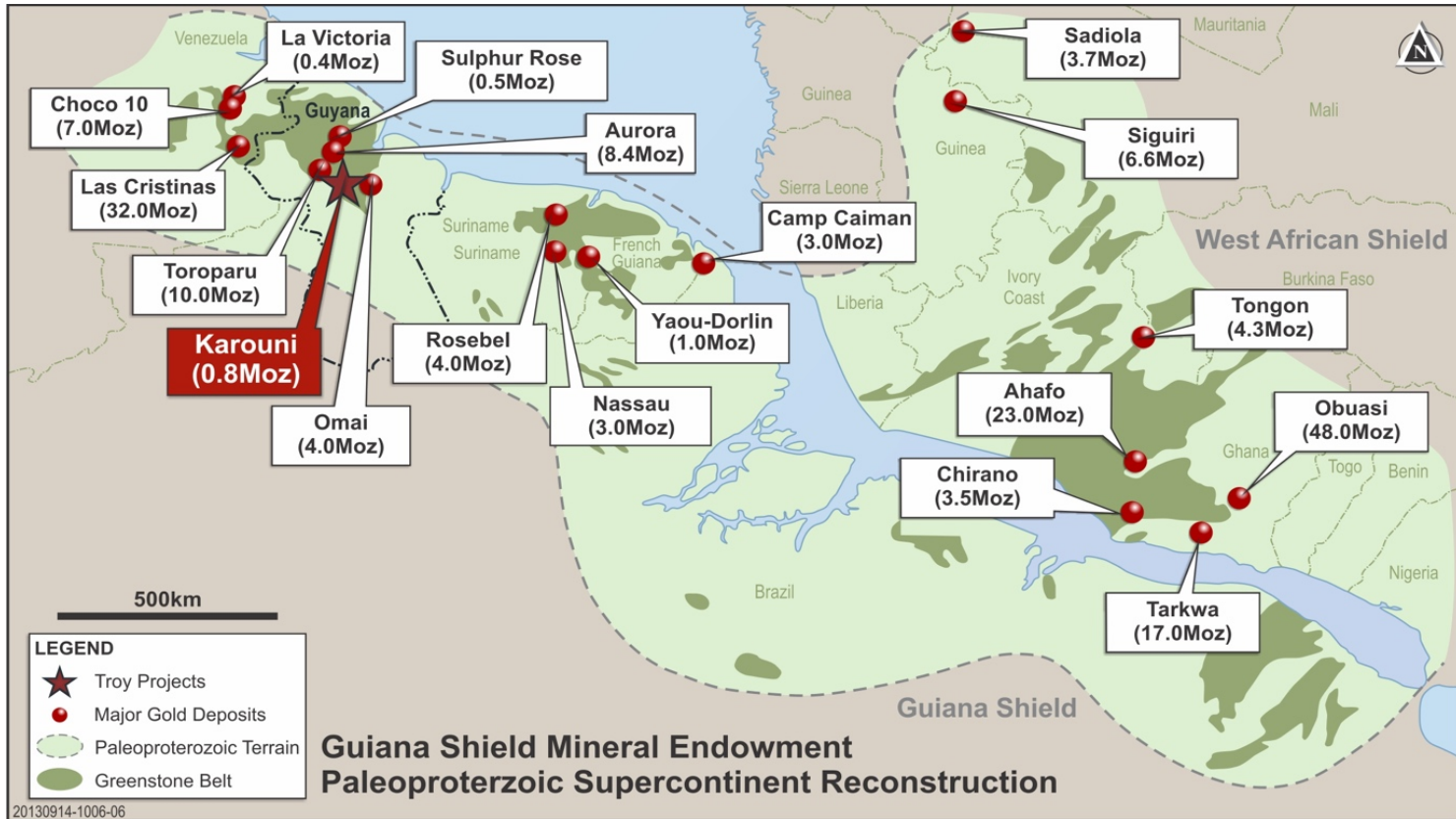


- Guyana is about the same size as the United Kingdom.
- English speaking.
- Population of 740,000 largely confined to coastal areas.
- Part of the Caribbean “Community”.
- British Legal and Parliamentary System.
- Mining is governed by a modern Mining Act.
- Main industries:
  - Sugar cane, rice and rum
  - Timber
  - Bauxite
  - Gold
  - Oil (from 2020)
- 27.5% corporate tax & gold royalty 5-8%.
- Rainfall of an average 2.5 metres p.a.



# Guiana Shield Greenstones & Gold Endowment

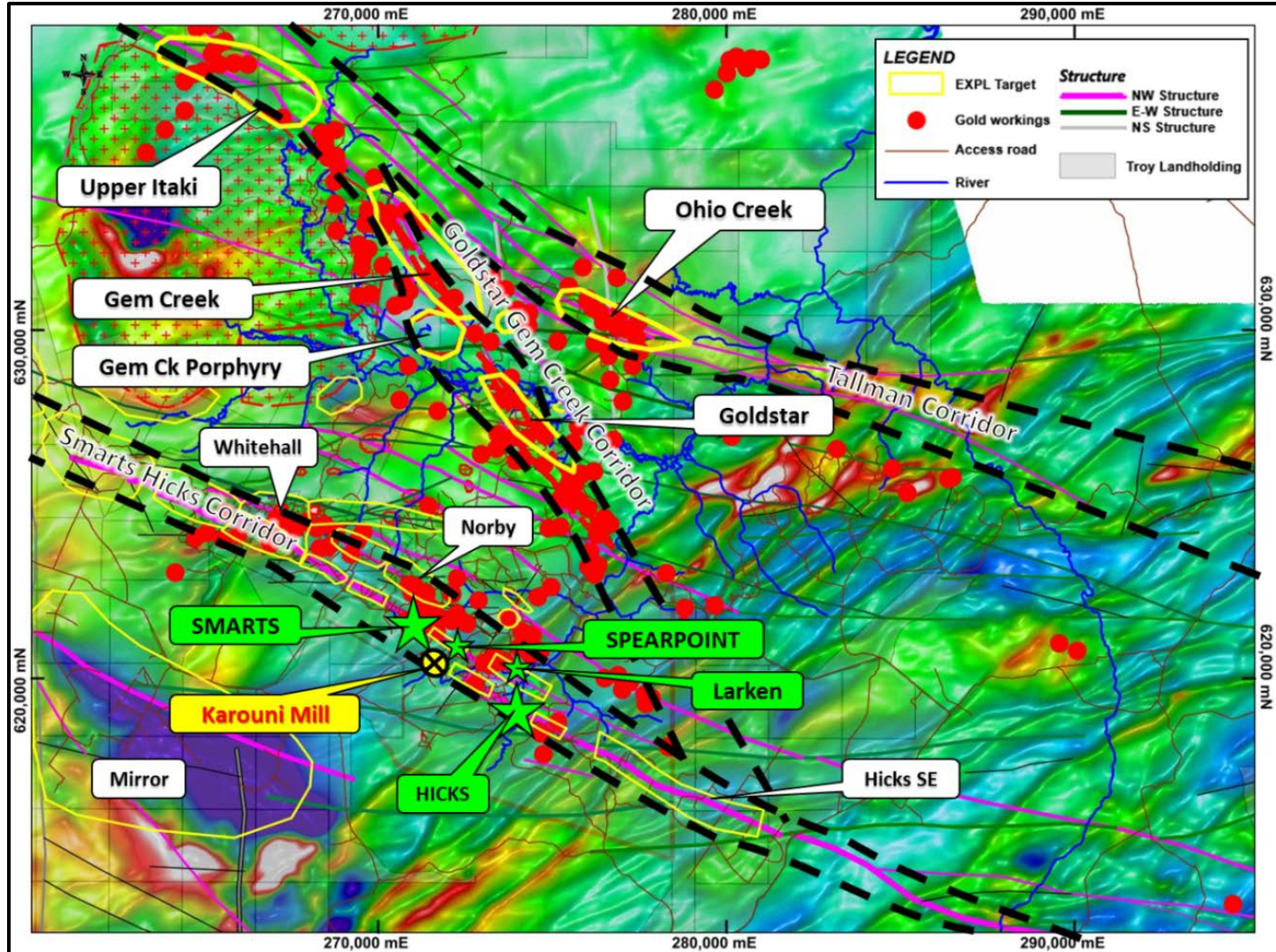
## Why Guyana from a geological perspective?



- One of few underexplored Greenstone terrains left on Earth – very limited application of modern exploration techniques
- Troy holds a “camp scale” ground position along a major regional structural corridor



# Troy's Ground Position



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# Mill and Smarts Pit

Commissioned in 2015; nominal 1 mtpa capacity



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# Corporate Snapshot

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| Key Metrics           |                   |
|-----------------------|-------------------|
| Shares on Issue       | 487.7 m (pre SPP) |
| Share Price           | \$0.105           |
| Market Capitalisation | \$51.2 m          |
| 2018 gold production  | 70,207 ounces     |
| 2018 revenue          | \$116 m           |
| 2018 AISC             | US\$931 per ounce |
| Bank debt (current)   | US\$5.2 m         |

| Board & Management |                              |
|--------------------|------------------------------|
| Peter Stern        | Non-Executive Chairman       |
| Ken Nilsson        | CEO & Managing Director      |
| John Jones AM      | Non-Executive Director       |
| Richard Beazley    | Non-Executive Director       |
| Gerry Kaczmarek    | CFO & Company Secretary      |
| Eric Olson         | General Manager – Ops Guyana |

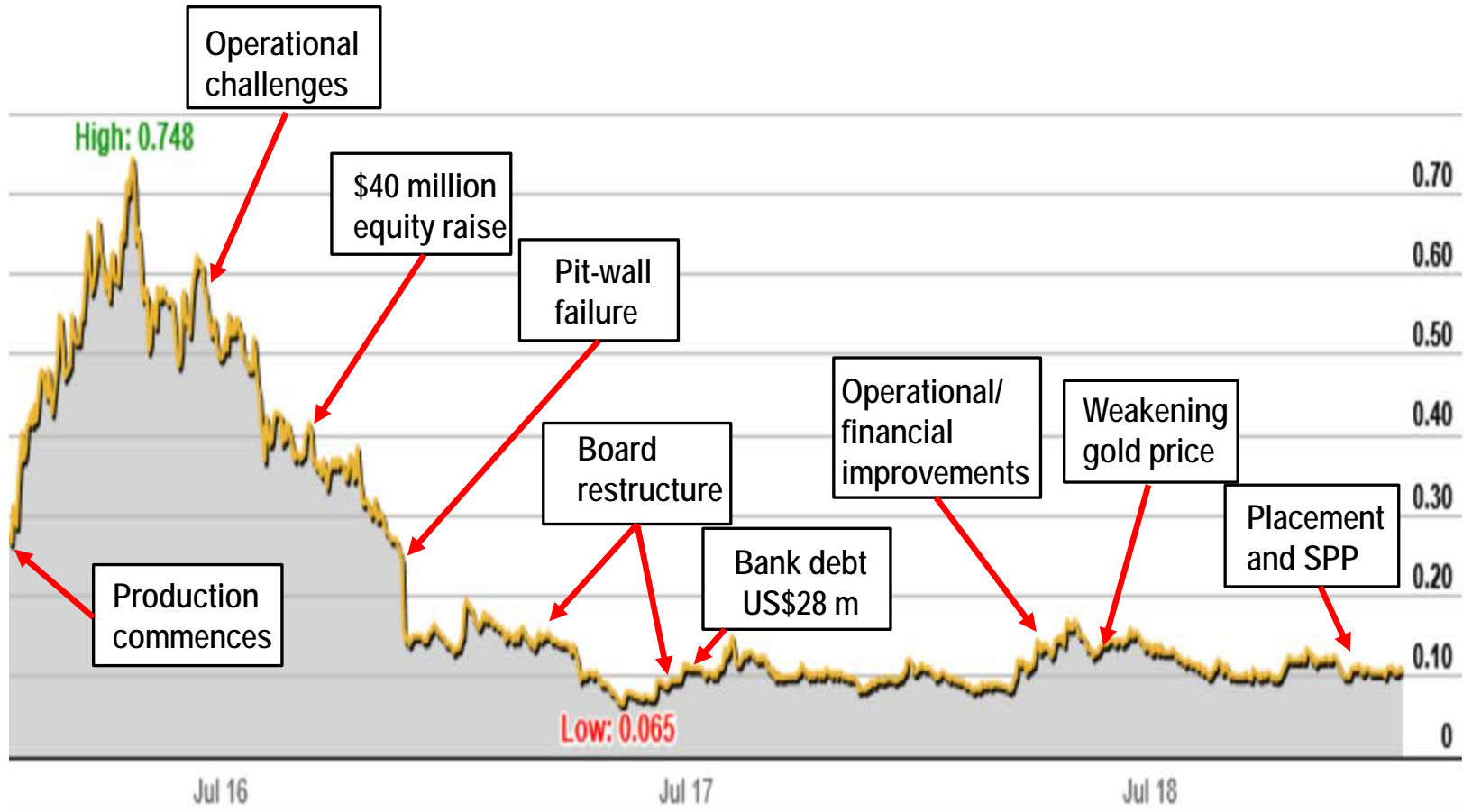
| Reserves & Resources (as at 30 June 2018) |                    |
|---|--------------------|
| Ore Reserves                              | 120 koz @ 2.43 g/t |
| Mineral Resources                         | 933 koz @ 2.1 g/t  |

| Key Shareholders   |            |            |
|--------------------|------------|------------|
| Investor           | Shares (m) | % of Total |
| Ruffer LLP         | 39.9       | 8.2%       |
| Board & Management | 9.9        | 2.0%       |



# 3-Year Share Price Chart

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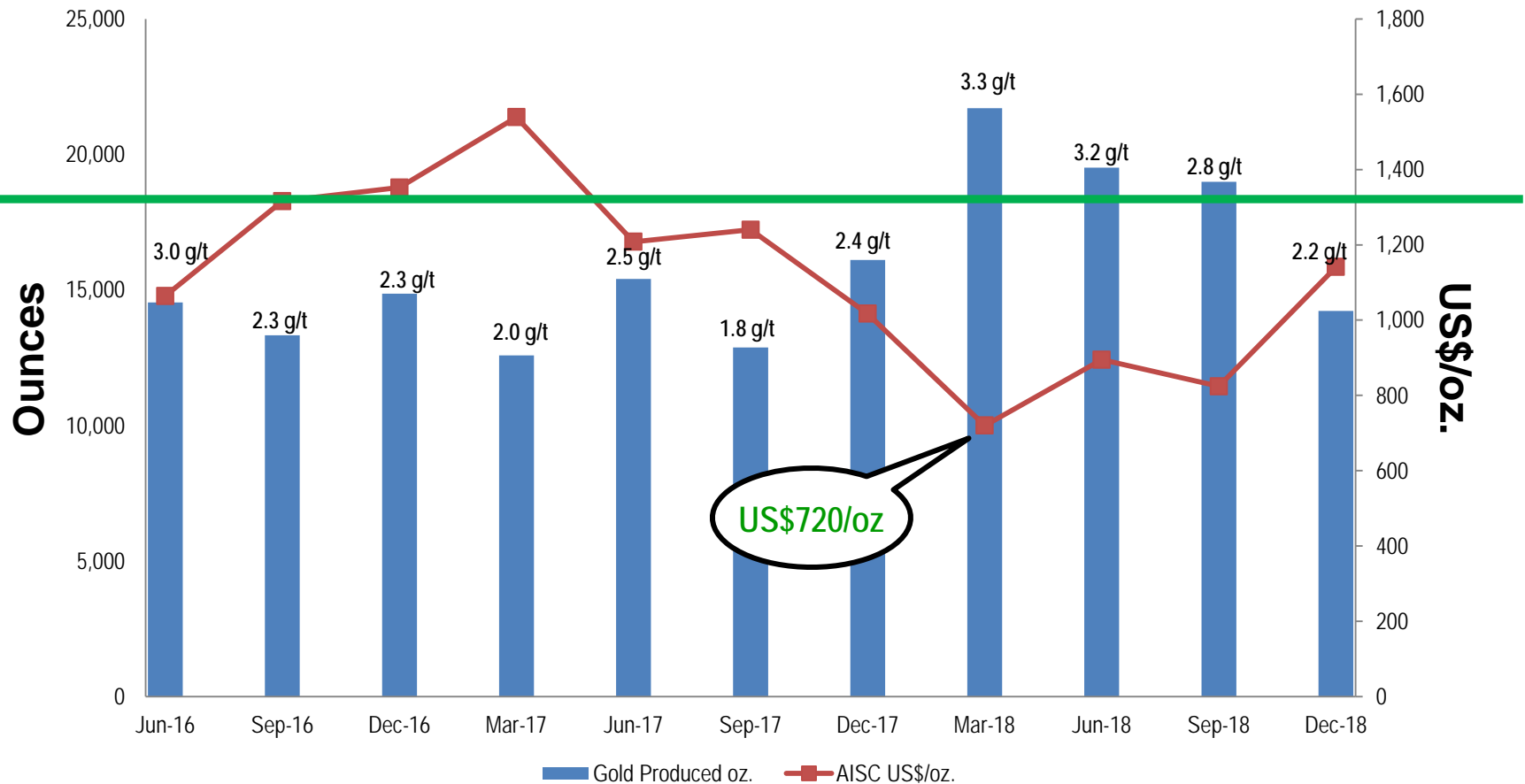






# Operational Performance

## Quarterly Gold Production, AISC and Head Grade Smarts and Hicks Pits



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# Our Key Focus

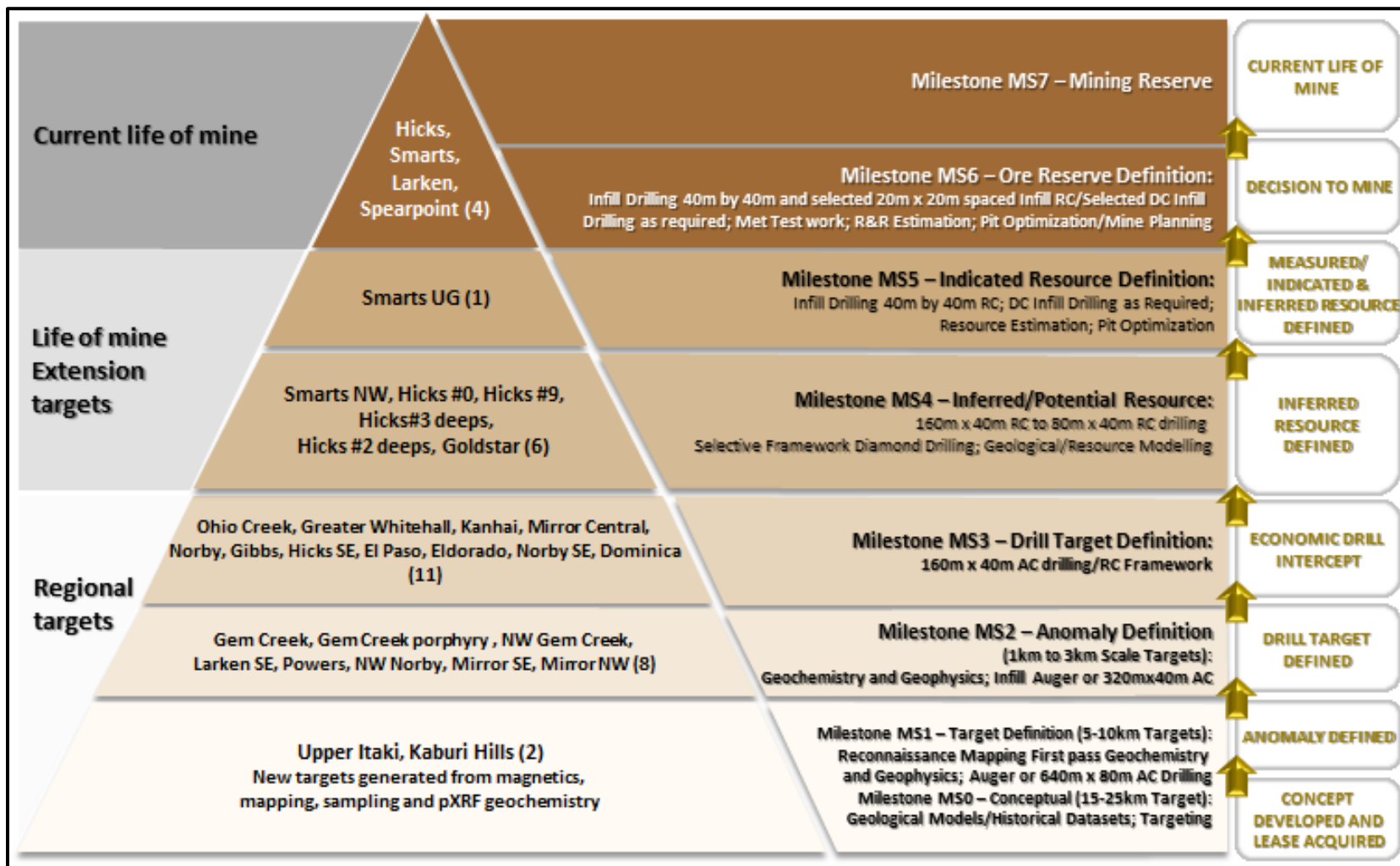
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|                          |              |   |
|--------------------------|--------------|---|
| Stabilize Board          |              | Stable Board since mid 2017, strengthened with a recent addition                |
| Increase gold production |              | Production increased from 56,200 ounces in 2017 to 70,207 ounces in 2018        |
| Reduce operating costs   |              | AISC reduced from US\$1,345 per ounce in 2017 to US\$931 per ounce in 2018      |
| Eliminate bank debt      | Almost there | US\$5.2 million outstanding today after US\$22 million repaid in last 18 months |
| Reduce creditors         | In progress  | With bank debt almost eliminated, creditor reduction becomes a key focus        |
| Increase mine life       | In progress  | Other key focus is exploration => Ohio Creek acquisition and discovery          |



# Pits and Prospects

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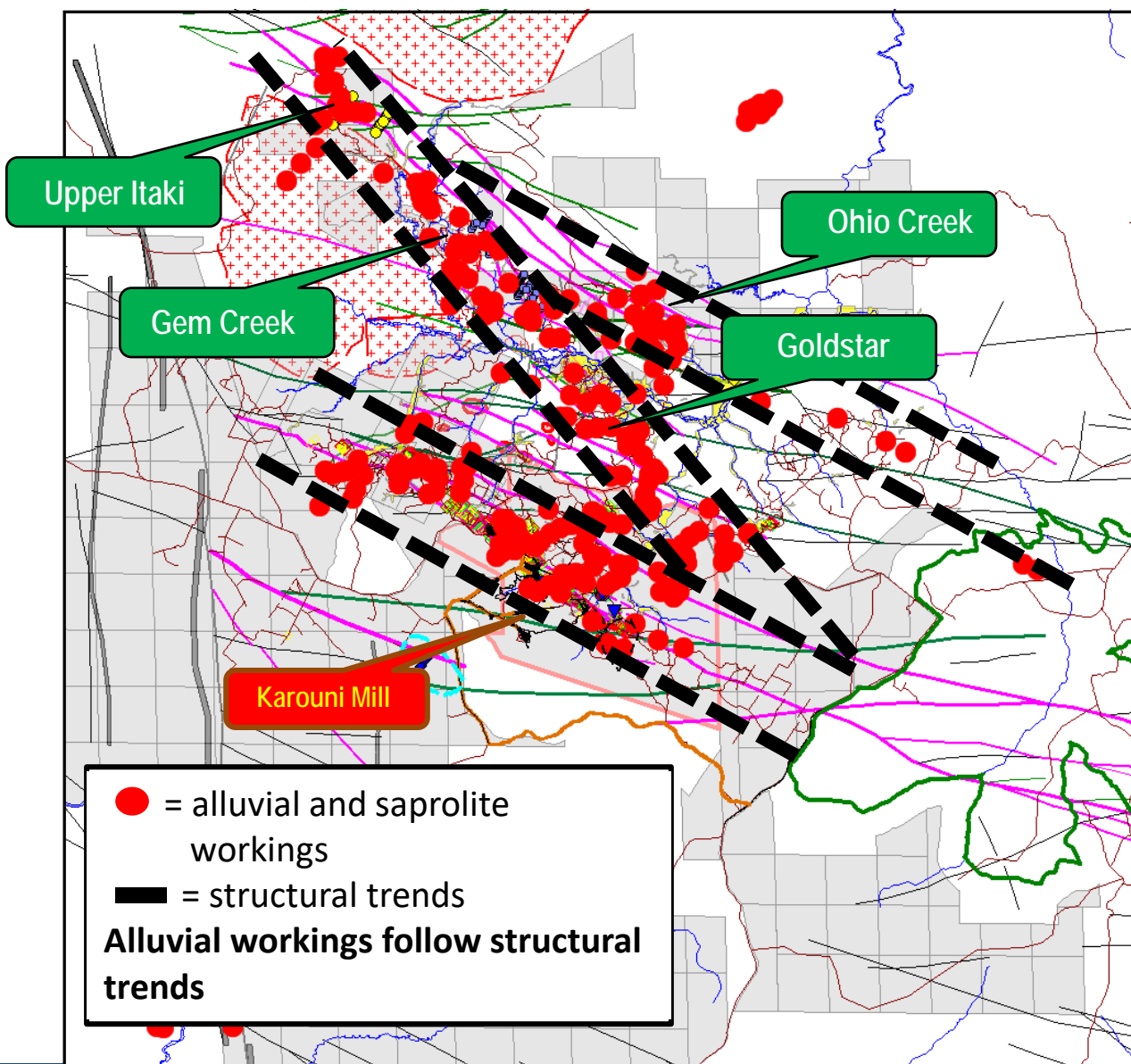


=> Multiple targets at various stages of advancement.



# Significant Potential For New Discovery

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● = alluvial and saprolite workings  
— = structural trends  
**Alluvial workings follow structural trends**

- ~ 850 sq km tenement holding in good standing
- High exploration potential with more than 20 km shear corridor and saprolite workings
- Substantial artisanal gold mining with strong production since early 20<sup>th</sup> century
- Troy's aggregate exploration spend only approximately \$6 million



# Why we Believe in the Region!

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Aerial photograph showing extensive alluvial workings



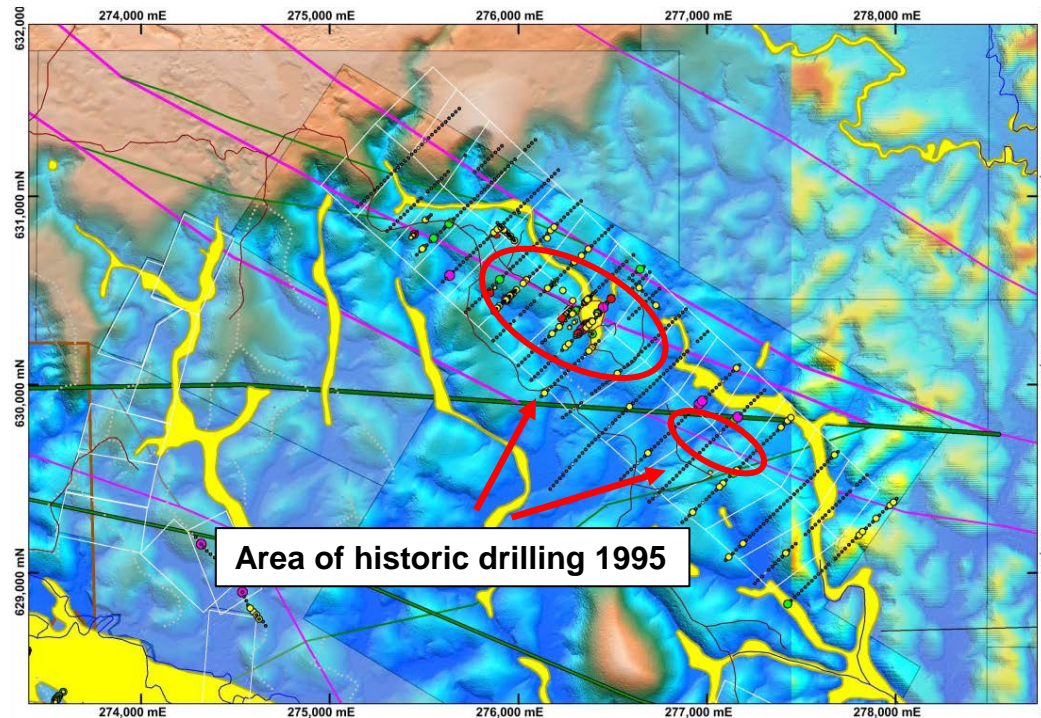
Flaky alluvial gold recovered from Upper Itaki  
(not an asset of Troy)



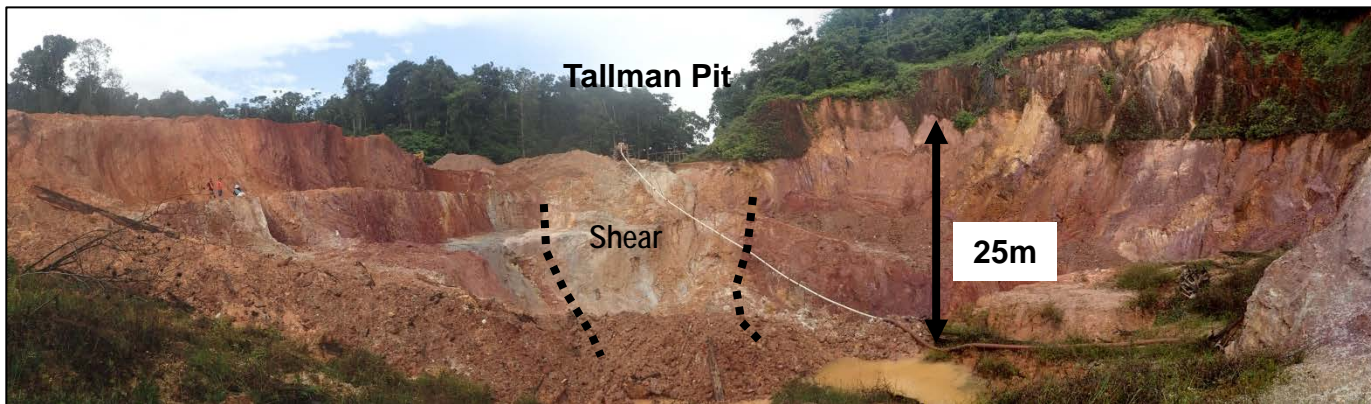
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# Ohio Creek Prospect

Acquired by Troy in September 2018



- ❑ Identified by Troy as a key target for acquisition in 2013
- ❑ 10 kilometres from Karouni Mill
- ❑ Tallman pit has been developed by Guyanese locals – unusual for area
- ❑ Cathedral Gold completed a auger geochemistry program in 1995, followed by a modest diamond drilling program of 11 holes for a total of 1,364m
- ❑ Best assay of 1 metre @ 868.7 g/t Au from 61 metres – highest gold grade recorded in the region
- ❑ Prospect acquired by Troy in September 2018



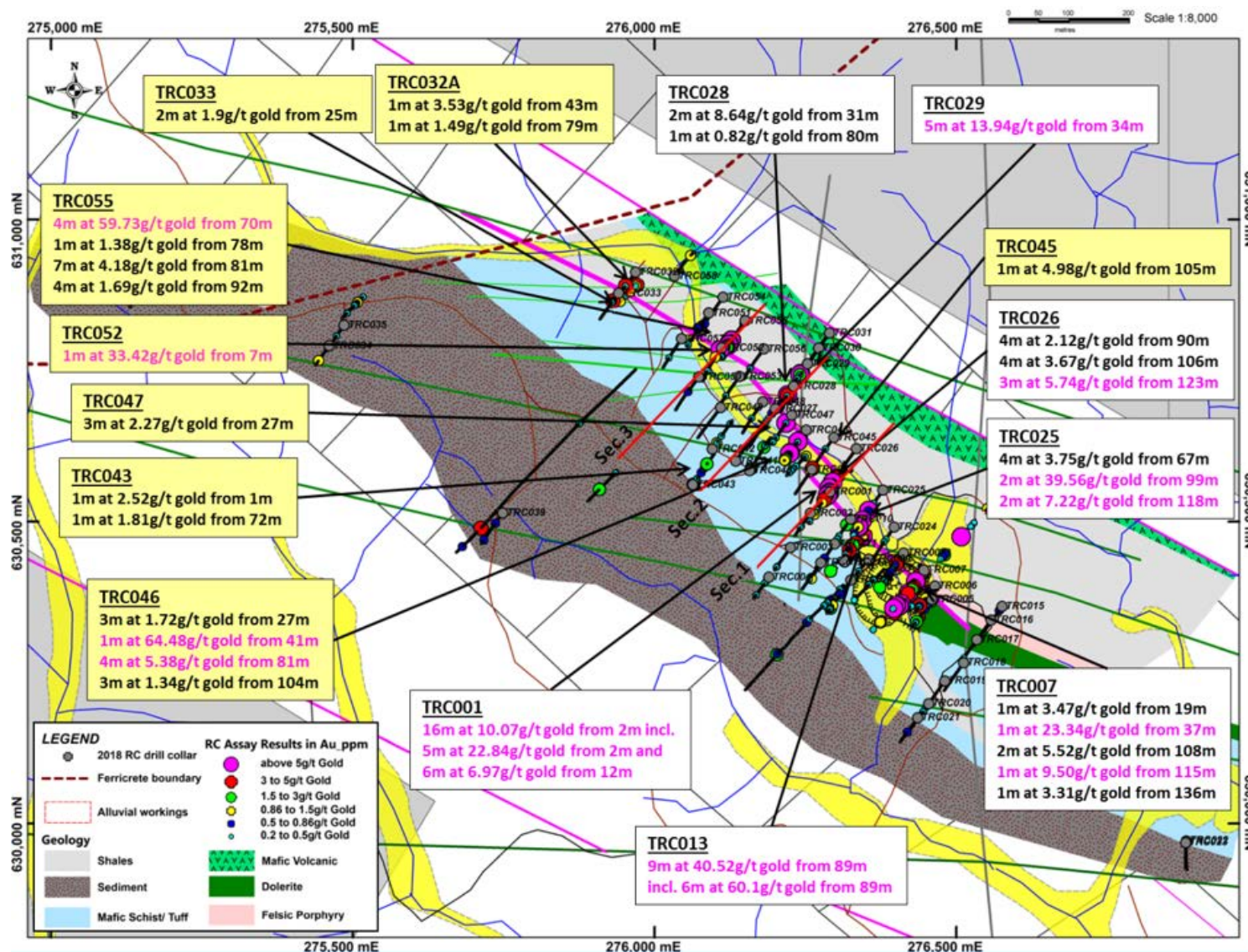
\* For details, refer to the Company's announcement dated 12 September 2018 entitled "Acquisition of Ohio Creek Prospect – Guyana".



# Ohio Creek Exploration Results

Early results are spectacular

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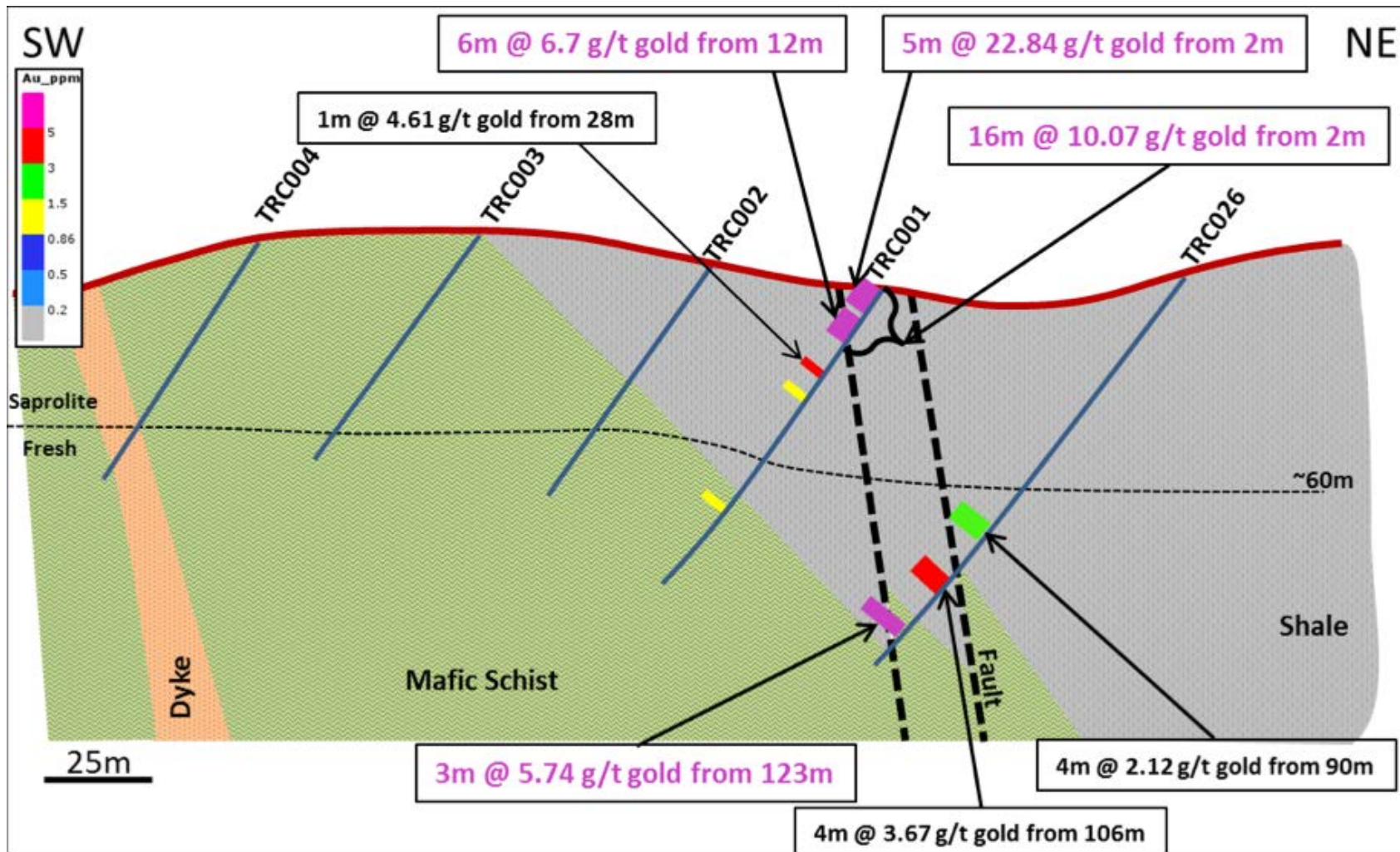


\* For further details, refer to ASX Announcement of 1 February 2019 entitled "New High Grade Assays Results From Ohio Creek".



# Ohio Creek Cross Section

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\* For further details, refer to ASX Announcement of 1 February 2019 entitled "New High Grade Assays Results From Ohio Creek".





# Current Exploration Activities

## Ohio Creek

- Assays from 18 reverse circulation holes currently awaited
- Reverse circulation drilling – step out drilling to extend mineralisation to NW and SE – approximately 50 holes planned over next 1.5 months or so
- Diamond drill rig expected on-site end-February/ commence drilling early-March. Approximately 20 holes planned to:
  - Priority 1 – target known mineralization to better understand style, type and host, and for structural orientation of mineralization/ geology
  - Priority 2 – target interpreted fault and fold zones to understand mineralization offset
  - Priority 3 – infill drill lines to build a robust geological and structural model
- Haul road to Karouni Mill under construction
- Application for mining license submitted

## Gem Creek

- Auger soil sampling program recently completed
- Au anomaly defined concordant with high MgO basalt

## Goldstar

- Planning for first diamond drilling campaign underway

=> Much information flow forthcoming as assay results are received.



# THANK YOU





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## **APPENDIX 1**

# **Mineral Resources and Ore Reserve – June 2018**



# MINERAL RESOURCES AND ORE RESERVE – June 2018

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Table 1: Karouni Ore Reserves<sup>1</sup>

|                   | Proven Reserves |             |               | Probable Reserves |             |                | Total            |             |                |
|-------------------|-----------------|-------------|---------------|-------------------|-------------|----------------|------------------|-------------|----------------|
|                   | Tonnes          | Grade (g/t) | Ounces        | Tonnes            | Grade (g/t) | Ounces         | Tonnes           | Grade (g/t) | Ounces         |
| <b>Smarts</b>     | 86,000          | 2.12        | 5,900         | 602,000           | 2.97        | 57,500         | 688,000          | 2.87        | 63,400         |
| <b>Hicks</b>      | -               | -           | -             | 511,000           | 2.30        | 37,700         | 511,000          | 2.30        | 37,700         |
| <b>Spearpoint</b> | -               | -           | -             | 170,000           | 1.76        | 9,600          | 170,000          | 1.76        | 9,600          |
| <b>Stocks</b>     | 167,000         | 1.71        | 9,200         | -                 | -           | -              | 167,000          | 1.71        | 9,200          |
| <b>Total</b>      | <b>253,000</b>  | <b>1.84</b> | <b>15,000</b> | <b>1,283,000</b>  | <b>2.54</b> | <b>104,800</b> | <b>1,536,000</b> | <b>2.43</b> | <b>119,800</b> |

<sup>1</sup> Refer to the notes on Reserves at the end of this statement.

Table 2: Karouni Mineral Resources (inclusive of Ore Reserves)<sup>2</sup>

|                     | Cut-off grade (g/t) | Measured Resources |             |               | Indicated Resources |             |                | Inferred Resources |             |                | Total             |             |                |
|---------------------|---------------------|--------------------|-------------|---------------|---------------------|-------------|----------------|--------------------|-------------|----------------|-------------------|-------------|----------------|
|                     |                     | Tonnes             | Grade (g/t) | Ounces        | Tonnes              | Grade (g/t) | Ounces         | Tonnes             | Grade (g/t) | Ounces         | Tonnes            | Grade (g/t) | Ounces         |
| <b>Smarts</b>       | 0.5                 | 94,000             | 2.1         | 6,500         | 610,000             | 3.2         | 61,900         | 3,479,000          | 1.9         | 215,700        | 4,183,000         | 2.1         | 284,100        |
| <b>Hicks</b>        | 0.5                 | -                  | 0.0         | -             | 1,432,000           | 1.8         | 84,100         | 26,000             | 2.1         | 1,700          | 1,458,000         | 1.8         | 85,800         |
| <b>Larken</b>       | 0.5                 | 50,000             | 2.5         | 4,000         | 13,000              | 2.0         | 800            | 85,000             | 2.0         | 5,400          | 148,000           | 2.1         | 10,200         |
| <b>Spearpoint</b>   | 0.5                 | -                  | -           | -             | 693,000             | 1.3         | 29,700         | 328,000            | 1.3         | 13,500         | 1,021,000         | 1.3         | 43,200         |
| <b>Goldstar</b>     | 0.5                 | -                  | 0.0         | -             | -                   | -           | -              | 621,000            | 1.3         | 26,000         | 621,000           | 1.3         | 26,000         |
| <b>Smarts Deeps</b> | 1                   | 135,000            | 3.4         | 14,600        | 930,000             | 3.7         | 109,400        | 1,935,000          | 2.6         | 163,500        | 3,000,000         | 3.0         | 287,500        |
| <b>Hicks Deeps</b>  | 1                   |                    |             |               | 1,566,000           | 2.0         | 99,900         | 1,210,000          | 2.1         | 80,500         | 2,776,000         | 2.0         | 180,400        |
| <b>Stocks</b>       | na                  | 167,000            | 1.7         | 9,200         | -                   | -           | -              | -                  | -           | -              | 167,000           | 1.7         | 9,200          |
| <b>MW</b>           | na                  | 341,000            | 0.6         | 6,200         | -                   | -           | -              | -                  | -           | -              | 341,000           | 0.6         | 6,200          |
| <b>Total</b>        |                     | <b>787,000</b>     | <b>1.6</b>  | <b>40,500</b> | <b>5,244,000</b>    | <b>2.3</b>  | <b>385,800</b> | <b>7,684,000</b>   | <b>2.1</b>  | <b>506,300</b> | <b>13,715,000</b> | <b>2.1</b>  | <b>932,600</b> |

<sup>2</sup> Refer to the notes on Resources at the end of this statement.



# MINERAL RESOURCES AND ORE RESERVE – June 2018

## Additional Notes

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### Additional notes to Resource and Reserve Estimates

These notes should be read in conjunction with the Resource and Reserve tables above and thus forms an integral part of the Resources and Reserves.

#### Resources

1. Resources for Smarts are calculated at a cut-off of 0.5 g/t constrained to a A\$2,000 pit shell.
2. Resources for Hicks are calculated at a cut-off of 0.5 g/t constrained to a A\$2,000 pit shell.
3. Resources for Larken, Spearpoint and Goldstar are calculated at a cut-off of 0.5 g/t.
4. Resources for Smarts Deeps and Hicks Deeps are calculated at 1.00 g/t cut-off grade.
5. Differences may occur due to rounding.

#### Reserves

1. Reserves calculated at a gold price of USD \$1,200 per ounce.
2. Reserves for Smarts are calculated at a cut-off of 0.86 g/t.
3. Reserves for Hicks are calculated at a cut-off of 0.86 g/t.
4. Ore loss attributed to both Hicks and Smarts of 5%.
5. Dilution of 10% at a gold grade of 0.00 g/t added to both Hicks and Smarts after ore loss.
6. Stockpiles include ROM and Fine Ore crushed as of June 30, 2018 based on survey and sampling. Included are 162,000 tonnes of ROM (run-of-mine) at 1.7 g/t and 4,700 tonnes of crushed fine ore at 2.1 g/t.
7. Source is Troy updated internal modelling and actual sampling of stockpiles.
8. Differences may occur due to rounding.

### Competent Person's Statement

*Information of a scientific or technical nature that relates to exploration results, Mineral Resources or Ore Reserves is based on, and fairly represents, information and supporting documentation prepared under the supervision of Mr Richard Maddocks. Mr. Maddocks 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 under the Australian JORC Code as per the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Maddocks has reviewed and approved the information contained in this announcement. Mr. Maddocks:-*

- *Is a consultant to Troy Resources Limited*
- *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 2012 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*

*The information relating to exploration results for the Karouni project is extracted from various Troy ASX Announcements and Quarterly Reports previously released to the ASX and are available to view at [www.troyres.com.au](http://www.troyres.com.au) or the ASX website.*

*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.*