



TROY RESOURCES NL

ABN 33 006 243 750

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR
FOR DISSEMINATION IN THE UNITED STATES.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDING 31 MARCH 2010

HIGHLIGHTS

31 MARCH 2010

Troy Resources NL
ABN 33 006 243 750

44 Ord Street
West Perth
Western Australia 6005

Tel: +61 8 9481 1277
Fax: +61 8 9321 8237

E: troy@troyres.com.au
W: www.troy.com.au

Corporate Details

ASX Code: TRY
TSX Code: TRY

Issued Capital :
87,464,323 ordinary shares
350,000 unlisted partly paid
3,086,000 unlisted options

Directors:

Non-Executive Chairman:
John Dow
Executive Director:
Ken Nilsson
Non-Executive Directors:
Gordon Chambers
David Dix
John Jones
Robin Parish

Paul Benson
CEO
30 April 2010

OVERVIEW

- **Casposo** gold-silver project within budget and on schedule to produce first gold in the September quarter, less than 12 months after construction commenced.
- Quarterly gold production **14,627oz**.
- Agreement signed with Investec Bank (Australia) for a A\$25m Revolving Debt Facility.
- At **Andorinhas** high grade drill intercepts encountered visible gold and yielded best gold assays of **0.90m at 137.98g/t gold (from 93.70m downhole) and 1.20m at 27.81g/t gold (from 173.60m downhole)** in a zone East of the Barbosa Workings not included in the current **Resource, Reserve** or mine plan.
- At **Sandstone** drilling by Nickel-JV partner Western Areas intersected a 30m interval of disseminated and vein style nickel sulphide mineralisation at shallow depth.
- Cash, bank deposits and bullion of over A\$27m as at March 31, 2010.

OPERATIONS

Brazil - Andorinhas

- The plant treated 58,329t which was 4% higher than the previous quarter.
- Head grade continued to remain low at 3.90g/t gold compared to 4.22g/t gold in the previous quarter.
- Higher throughput could not offset lower grades and metallurgical recovery of 90.64% (compared to 91.5% in the December quarter) resulting in production of 6,633oz compared to 6,956oz in the previous quarter.
- Unit cash costs at A\$853/oz were 2% lower than the A\$872/oz in the December quarter.
- Low grade stopes continue to be mined and the plant is scheduled to process low grade **Lagoa Seca** stockpiled ore in May. At this stage milled grade is expected to increase in June coinciding with re-entry to higher grade zones.
- Full FY2010 production now expected to be in the order of 30,000oz.
- As announced in the December quarterly report, development of the **Coruja NE** open cut is being fast tracked and is expected to enter the mill feed in place of the lower grade **Lagoa Seca** stockpiled material during the next financial year.
- The high grade intercepts encountered east of the **Barbosa Workings** (including visible gold and best gold assays of **0.90m at 137.98g/t gold (from 93.70m downhole) and 1.20m at 27.81g/t gold (from 173.60m downhole)**) are exciting as this material is not included in the current mine plan and would be relatively easy to access from current underground workings. Drilling will continue in the June quarter in an attempt to prove up a high grade zone.



Australia - Sandstone

- Mining of the **Lord Nelson** pit was completed in mid March and low grade and mineralised waste stockpiles were treated for the remainder of the quarter.
- Harder ore, of slightly lower grades and difficult metallurgy, resulted in throughput of 103,322t and metallurgical recovery of only 91.39% compared to 124,999t and 94.6% in the previous quarter.
- Production of 7,994oz was 20% lower than the previous quarter.
- Lower throughput and gold production, longer haulage and harder ore resulted in unit cash costs of A\$1,039 per oz compared to A\$916/oz in the December quarter.
- Delays in approval for the mining of the small-tonnage medium-grade **Eureka Pit** will result in the mill processing low grade and mineralised waste stockpiles through to mid May. Eureka material will then be processed and it is expected the site will be closed and put on care and maintenance early in the new financial year.

PROJECT DEVELOPMENT

Argentina - Casposo

- The project remains within budget and on schedule; with the first gold pour expected in the September quarter.
- During the quarter the McKinnons plant was transported from the port in Buenos Aires to site and fully assembled.
- Work continued on all areas of the plant with commissioning of the crusher conveyor section expected in late May and the remainder of the facilities in June and July.
- Mining of the initial **Kamila Pit** is progressing per plan with the aim of having approximately one month of mill feed on the ROM stockpiles before the mill commences production.

EXPLORATION

Argentina - Casposo

- At the **Julieta Target**, an RC drilling program (10 holes/1043m) was focussed on the two known mineralised zones producing encouraging results including:

RCJ-10-38:

**8m at 6.96g/t Au_{eq} from 33m,
5m at 3.55g/t Au_{eq} from 52m,
3m at 5.66g/t Au_{eq} from 81m,
1m at 9.86g/t Au_{eq} from 12m and**

RCJ-10-39:

**12m at 8.60g/t Au_{eq} from 44m and
3m at 6.65g/t Au_{eq} from 60m.**

Both zones remain open at depth. It is expected that an initial Mineral Resource estimate will be published on **Julieta** before the end of the financial year.



- Geological reconnaissance to the southeast along the **Julieta Vein** structure has identified a new 1km extension to the zone that hosts several outcropping veins. This represents a doubling of the known length of the **Julieta** structure.

Australia - Sandstone

- Drilling by Nickel-JV partner Western Areas intersected a 30m interval of disseminated and vein style nickel sulphide mineralisation at shallow depth in “**Area C**”. Preliminary Niton portable XRF estimates of the drill core returned spot values from **1.0% to 1.5% nickel** for the disseminated sulphides and up to **9.5% nickel** for the vein sulphides. Formal assays are pending. The nickel in **WAD002** is the first known significant occurrence of nickel sulphides reported at **Sandstone**.

Brazil – Andorinhas

- Drilling to test the possible continuation of the **Mamão** mineralisation to the east of the **Barbosa Garimpeiro** underground workings encountered visible gold and yielded best gold assays of **0.90m at 137.98g/t gold (from 93.70m downhole); and 1.20m at 27.81g/t gold (from 173.60m downhole)**. The current interpretation suggests this drilling has intercepted the eastern continuation of the **M1 Lode** and main **Melechete Lode**. The **Melechete** structure gold intercepts are interpreted to represent a 100m down dip extension of the mineralisation detected in earlier shallower RC holes that included **MAC61; 3m at 25.77g/t gold**. This is significant as mineralisation east of the **Barbosa Workings** is currently not included in the Mineral Resource or Mineral Reserve.

CORPORATE

- Troy signed a loan agreement with Investec Bank (Australia) for a A\$25m Revolving Debt Facility.
- Andorinhas Iron Ore – The market for iron ore in the Maraba region of northern Brazil is strengthening. Troy is currently in discussion with a number of parties regarding the high grade iron ore Reserve on the Andorinhas leases. At this stage we think it probable that an agreement leading to the commercialisation of the deposit will be reached in the new financial year.

COMMENTARY

Commenting on the quarter, Troy CEO Paul Benson said, “**The highlight for this quarter has again been the exceptional progress at Casposo. The McKinnons plant was delivered to site in early January and was fully reassembled by the end of the quarter. We remain on schedule and budget for the first gold pour in the September quarter.**”

“**We are making good progress elsewhere on the project including finalising the updated Mining Reserve and production schedule; which we expect to release in early May. We also have had success with in-fill drilling on the Julieta structure and expect to release an initial Resource for this deposit in the June quarter.**”



“At the moment we are only RC drilling at Casposo, focusing on near surface targets. We expect to commence diamond drilling towards the end of the financial year which will allow us to move our focus to higher grade extensions of Kamila and commence drilling of the Castaño Nuevo leases.

“At Sandstone we finished mining the Lord Nelson pit during the quarter and then processed low grade stockpiled material. We have one last pit to mine, the small-tonnage, medium-grade Eureka deposit and then expect the mine to close and be put on care and maintenance in the September quarter.

“At Andorinhas we continued to mine in the low grade areas of the mine throughout the quarter. The earliest we expect higher grade stopes to come on line is June; necessitating lowering our guidance for the 2010 financial year to approximately 30,000oz.

“We expect production in FY2011 to be significantly higher and will update the market in the June quarterly report after we complete mine planning updates, incorporating the addition of the Coruja NE open cut, and after we have a better understanding of the significance of the very high grade drilling results of the zone east of the Barbosa Workings.

“This new east zone is particularly interesting because, although at depth, it could be accessed relatively quickly from the current Mamão workings.”



OPERATIONS

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

- The plant treated 40,045 tonnes underground **Mamão** ore for the January and March months. While for the February month 18,283 tonnes of **Lagoa Seca** stockpiled ore was treated. In total some 58,329 tonnes of ore were treated during the third quarter.
- Underground development at **Mamão** was 2.7% below budget due to poor availability of scoop trams. RML has purchased a second hand scoop tram which will assist with the attainment of development and production targets in the future.
- 4.67% decrease in gold production was recorded over the preceding quarter, 6,632oz with a unit cash cost of production of US\$768/oz.

Production Summary

| | March 2010 Quarter | March 2009 Quarter | 9 Months to March 2010 | 9 Months to March 2009 | December 2009 Quarter |
|-------------------------|---------------------------|--------------------|---------------------------|------------------------|-----------------------|
| Tonnes Milled | 58,329 | 52,845 | 172,968 | 155,345 | 55,948 |
| Head Grade | 3.90 | 4.35 | 4.63 | 4.64 | 4.22 |
| Recovery | 90.64 | 87.4 | 91.45 | 87.27 | 91.5 |
| Gold Produced oz | 6,633 | 6,463 | 23,760 | 20,213 | 6,956 |
| Cash cost per oz | A\$853 US\$768 | A\$710 US\$499 | A\$709 US\$628 | A\$809 US\$582 | A\$872 US\$787 |

Occupational Health and Safety

A total of 150,871 personnel hours were worked during the quarter with no lost time injuries.

Results

Mill feed consisted of two months of ore from the Mamão underground and one month from the Lagoa Seca stockpile. The mill head grade decreased to **3.90g/t** gold compared to **4.22g/t** gold in the previous quarter. Current production stopes are lower grade in comparison to those processed in the first two quarters of the year. As the mine opens up the lower levels of the mine it is anticipated that grade will once again improve. In addition to the processing of Mamão ore, lower grade **Lagoa Seca** ore at **2.13g/t gold** has also been treated.

RML has initiated several projects to increase production, reduce dilution and increase safety at the **Mamão** underground mine. The **Melechete** ore body has had falls of ground towards the end of stope life on the Melechete-1160 to 1100 Levels. In order to eliminate these falls of ground the stopes are now being cable bolted. In the lower reaches of Melechete, below 1040 Level, the stope access will be transferred to the footwall thus reducing the stress at the intersection of the ore body and the stope access. In the **M2** ore body the method of stoping is currently changing from raise stoping to open shrink stoping. The introduction of shrink stoping will increase safety, as employees have a more secure surface to work from, increase production and reduce the over break in the stopes. In addition to changes in production the underground diamond drill rig is infill drilling the ore body.

With the decrease in overall grade in both **Lagoa Seca (2.13g/t)** and **Mamão (4.71g/t)** during the quarter the recovery has also decreased as a consequence from **91.5% to 89.94%**. Mill feed tonnage has increased from the previous quarter from **55,948 tonnes to 58,329 tonnes**. Despite the reduction the overall gold production the cost has also reduced from **US\$787/oz to US\$768/oz**.



Environment

There were no environmental issues, accidents or incidents during the quarter. Tree seedlings from the Company's nursery and grasses have been planted around the mine tailings dam. A safety dam is in the process of being constructed in front of the existing tailings dam in accordance with Brazilian mine legislation.

Mine Development - Mamão Underground Mine

Jumbo development: A total of 934m were developed for the quarter.

Permitting

The Andorinhas operation has been issued the mine environmental license and more recently the mine installation license. The Company is currently fulfilling the requirements of the installation license and will be applying for the operation license within the next 90 days. In the meantime the Company continues to operate on the temporary permitting system.

General Comments

Robbery. On February 22, 2010 Andorinhas mine was robbed by 10 well armed bandits. They took hostages, later released, and managed to steal 64.2kg of gold dore from the mine.

Electricity Supply to the site has now improved. CELPA, the power supplier has connected the mine to a new substation during the month of February and although there are still power failures and peaks in energy, supply is much improved.

Processing

The main shaft of crusher 3 broke early in January. Subsequently the Mill operated for the month using the reserve crusher. The detox and absorption tanks are in need of maintenance and will be repaired along with other areas of the Mill during the fourth quarter. During this period production will continue in line with budget requirements.

The Acacia storage tanks have been installed and the Acacia is operating well without interruption.

Underground Mining Operations

Development of the Melechete and M2 Lodes is proceeding well. In M2 the production method is in the process of being changed to open shrink stoping on M2-1120 W. The open shrink stoping method will be introduced in M2-1120 E and on M2-1140 and 1100 Level and below. The development of M2-1100 sill drive is well underway and will be concluded during the fourth quarter.

The Company has had to overcome poor ground conditions in the current working areas of the Melechete ore body. Ground support has been reinforced with the introduction and installation of cable bolts in the stopes. To increase safety and productivity, further all access of ore bodies below 1040 Level will be from the footwall. Melechete-1100 sill drive has been finalised and Melechete-1080 sill development is nearing completion and will start production early in the fourth quarter. Melechete-1140 and 1120 production will be finished in the fourth quarter. These stopes will be replaced with Melechete-1180, 1060 and 1040 before the end of the financial year.

For the majority of the third quarter LHD availability had been low. The Company purchased a second hand LHD to improve production and allow maintenance to be performed without hindering production.



Community

The Company has held several community relations meetings with the surrounding community and community leaders. The Company has held general safety and industrial safety training courses in Rio Maria. The Floresta sports ground, although seeding is currently being maintained and weeded by the Company. Once the ground is properly prepared it will be the responsibility of the community to maintain.



SANDSTONE - AUSTRALIA (Troy 100%)

Production Summary

| | March 2010 Quarter | March 2009 Quarter | 9 Months to March 2010 | 9 Months to March 2009 | December 2009 Quarter |
|-------------------------|-----------------------------|--------------------|-------------------------------|------------------------|-----------------------|
| Tonnes Milled | 103,322 | 136,669 | 358,387 | 422,766 | 124,999 |
| Head Grade | 2.64 | 2.08 | 2.36 | 2.20 | 2.66 |
| Recovery | 91.39 | 88.7 | 93.23 | 89.37 | 94.6 |
| Gold Produced oz | 7,994 | 8,074 | 25,049 | 26,774 | 10,112 |
| Cash cost per oz | A\$1,039 US\$930 | A\$539 US\$354 | A\$960 US\$875 | A\$657 US\$485 | A\$916 US\$832 |

Health, Safety and Environment

Zero lost time injuries were recorded during the quarter; however there was a sizable slip on the eastern wall of the Nelson pit. No injuries or damage to machinery were recorded.

Senior first aid and advanced resuscitation courses were conducted during the quarter.

Extensive rehabilitation work has commenced on the Lord Nelson, Lord Henry and Bulchina waste dumps in preparation for the mine closure. It is anticipated seeding will commence early next quarter ahead of the winter rains. Work on rehabilitating the old tailings dams TSF1 and TSF2 will commence next month.

Mining

Mining of the Lord Nelson cut back was completed on March 14, 2010 due to persistent wall failures at the base of the pit. It is estimated that only 60 ounces of gold was lost due to the premature closure of the Nelson pit. A total of 130,467bcms of material was mined during the quarter including 60,060 tonnes of ore at a grade of 3.85g/t gold.

We have commenced pre-strip of the small satellite Eureka deposit.

It is anticipated this deposit will be mined in approximately two months yielding 41,500 tonnes of ore at 2.87g/t gold.

Processing

103,332 tonnes of ore at a grade of 2.64g/t gold was milled during the quarter, yielding 7,994 ounces of fine gold. Mill throughput decreased during the quarter due to several mechanical and electrical problems encountered with the hired Findlay cone crusher. Milling recoveries and the purity of the gold bars decreased because of increased sulphides in the ore mined from the deeper section of the open cut. The mill recovery averaged 91% for the quarter.

General

At this stage we expect the site to cease production and to be put on care and maintenance in the September quarter.



PROJECT DEVELOPMENT

CASPOSO - ARGENTINA (Troy 100% through Troy Argentina Ltd)

Occupational Health and Safety

Several minor accidents were recorded during the quarter, including 2 lost time injuries. Neither was serious and remedial actions were put in place to heighten awareness of problems with hand tools and lifting procedures.

At the end of the quarter approximately 200 people, including contractors, were working on site. This number will reduce to 100 – 150 during the remainder of construction.

Environmental

There were no issues and the site was regularly visited by Departmental inspectors.

Construction Activities

During the quarter the remainder of the McKinnons plant arrived on site and mechanical construction commenced on January 15.

By the end of the quarter the total McKinnons plant was assembled, including design changes and the crusher and mill motor control rooms. Activities remaining for the front end of the plant include alignment of the grinding mill and drive systems, construction of the new scats circuit and the mill feed conveyor, which are all new additions. In addition, the Crusher stockpile withdrawal tunnel is awaiting completion.

Electrical installations were started with an estimated completion date in late May. Subject to the arrival of conveyor belts, commissioning of the crushing system is also scheduled for late May and the remainder of the McKinnons plant by mid to late June.

The refinery area design, and purchase orders for machinery and tanks were completed by the end of the quarter; and contracts let for the construction of all tanks, thickeners, civil work, electrical installations and refinery buildings, including all site specific designs and Government approvals. A contract was signed for design and implementation of a central processing control system with an Australian supplier.

All service buildings are on schedule for completion by late May including sample preparation, assay laboratory, office, first aid station, food preparation and canteen facility.

The waste water systems were completed, permitted and brought into use. The fresh water well with water purification and distribution system was completed at the construction camp which also serves the main farm buildings at the Company's Vila Corral property.

The bore-field bores, collection tank, and 8km of pipe line were completed including pressure tested and commissioned with water delivered to a site dam. The line and facilities were inspected by the water authority, advertised for public comment without protests with final license pending in mid May.

A large number of new pieces of equipment manufactured in various parts of the world are scheduled to arrive before the end of June.

The State power line will not be installed until later in the year so a temporary 6MW power station is being installed in time for commissioning and start up.

Clearing and foundation work was started for the tailings and waste dump areas with new designs submitted for approval.



The project remains on budget and is scheduled to pour first gold in the September quarter

Mining

Pre-strip mining was started at the Kamila open cut at the end of January with a total of 76,000bcms excavated by the end of the quarter. A local mining contractor was engaged on a three month trial basis and a similar arrangement was put in place for drill and blast. All material excavated was used for construction of access ramps and as fill for the tailings area. In addition, the B-Vein area was prepared for mining to expose the ore with a planned start up in May to add ore sources for mill feed. Grade control drilling at Kamila on the Aztec Vein confirmed model predicted grades. The mine is now operating 24 hours per day with one large excavator and three blast hole drill rigs. The explosives magazines were constructed, with approval of the facilities pending.

Permitting

During the quarter work continued on the final permit submission and to fulfil all conditions required to obtain final certification. All approvals are on schedule and the remaining major applications have been submitted covering tailings design, waste dump design, facility close down provisions, and monitoring plans.

Environmental monitoring which includes air and water quality monitoring for the total area influenced by Casposo operation continued during the quarter. This includes water flow measurements in a number of creeks in the surrounding area.

The annual mining rentals and renewals were paid as required. All required permits are up to date including earth moving, blasting and environmental permits.

Administration

Site administration was set up to control the construction camp, receive and dispatch goods and machinery, normal cost control, and personnel and equipment hire. Additional personnel were appointed to the San Juan office to assist in purchasing and accounting.

A microwave communication system was constructed to link the project to the central computer server in San Juan providing fast and reliable internet connection for the two work areas in Calingasta, the total operating site and Vila Corral. Mobile phones work on site for voice communication.

Community

Troy continues to operate the Calingasta Community Social Office which now has several staff. Social activities for the quarter included;

- Providing limited bandwidth internet access to the technical school in Calingasta as no internet connection was previously available.
- Organising a festival every Sunday in January and February in the main Calingasta square which attracted between 1000 - 1500 people each week. Activities at the event included volleyball and soccer competitions.
- Troy, together with Casposo contractors, supported the Carnival in Calingasta which is the main community event in the calendar year.

Troy also teamed up with Xstrata copper, to repair a well which provides part of Calingasta with drinking water.



TROY RESOURCES NL
Quarterly Report for the Three Months Ending 31 March 2010

Other activities included providing schools in the area with equipment, donating posts for local advisory signs and assisting with travel costs for local participants to attend sporting events in San Juan.

As part of Troy's operating commitments various training programs are being provided. These include English classes twice per week for children in Calingasta with approximately 80 children attending; gymnastic classes to eight small schools in the region; singing and music workshops and courses for mining operators in conjunction with the University of San Juan.



EXPLORATION REPORT

EXPLORATION – ARGENTINA

Casposo Project (Troy 100%)

At the **Julieta Target**, a Reverse Circulation (RC) drill program (10 holes/1043m) was completed in late February. This drilling focussed on the two known zones within a 1km northwest – southeast trending structural corridor. The program was designed to better define the vertical extent and continuity of the mineralisation at shallow depths. Both zones remain open at depth.

On the northwest end of the **Julieta Target** as expected **RCJ-10-34**, **RCJ-10-35** and **RCJ-10-36** encountered brecciated (minor banded) quartz –carbonate (adularia) veins with minor veins splays and weak stockwork zones. The main vein varies from 5m to 7m in width downhole. Best intercepts included; **RCJ-10-35: 3m at 2.40g/t Au_eq from 76m** and **RCJ-10-36: 3m at 5.52g/t Au_eq from 59m**.

RCJ-10-38 and **RCJ-10-39** collared in the central portion of the **Julieta Prospect** intercepted a vein breccia in the hanging wall of the late trachyte dyke. The assays returned high grade gold-silver mineralisation: **RCJ-10-38: 8m at 6.96g/t Au_eq from 33m, 5m at 3.55g/t Au_eq from 52m, 3m at 5.66g/t Au_eq from 81m, 1m at 9.86g/t Au_eq from 12m** and **RCJ-10-39: 12m at 8.60g/t Au_eq from 44m and 3m at 6.65g/t Au_eq from 60m**.

The mineralisation is hosted in dacite-andesite ash flows, with weak to moderate propylitic – argillic alteration (see Figure 1, Figure 2 and Table 1).

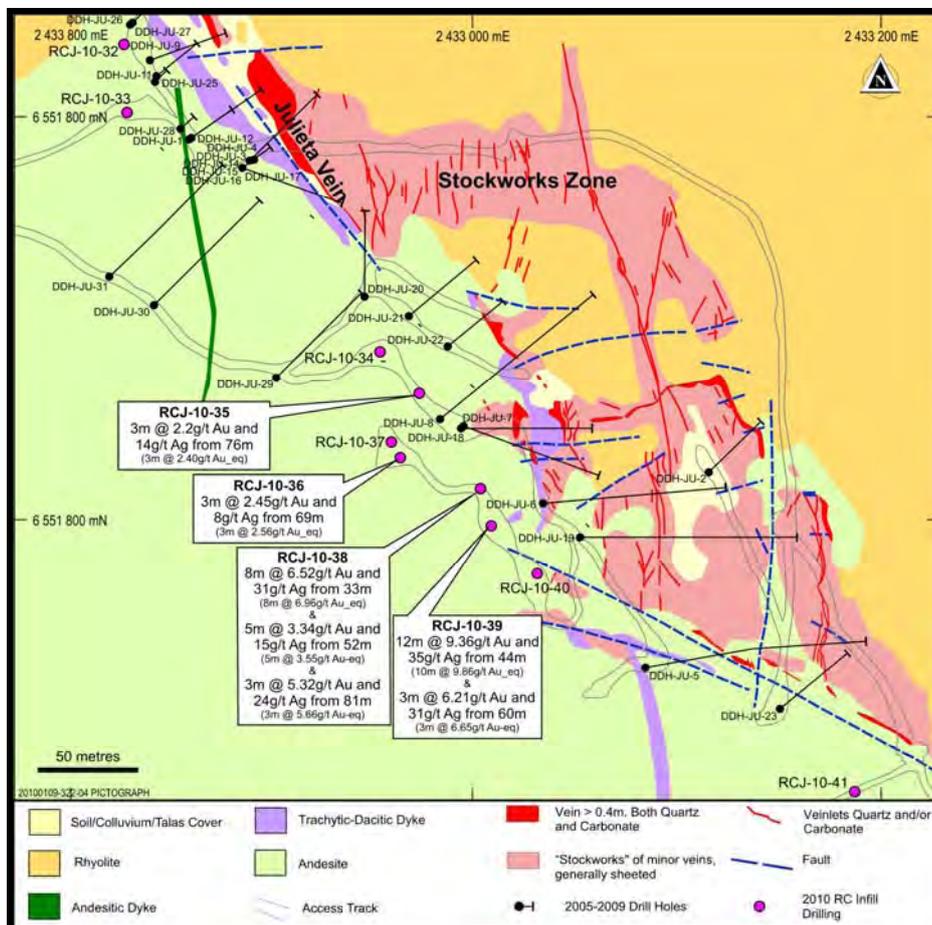


Figure 1: Julieta Target 2010 Drilling Highlights



TROY RESOURCES NL
Quarterly Report for the Three Months Ending 31 March 2010

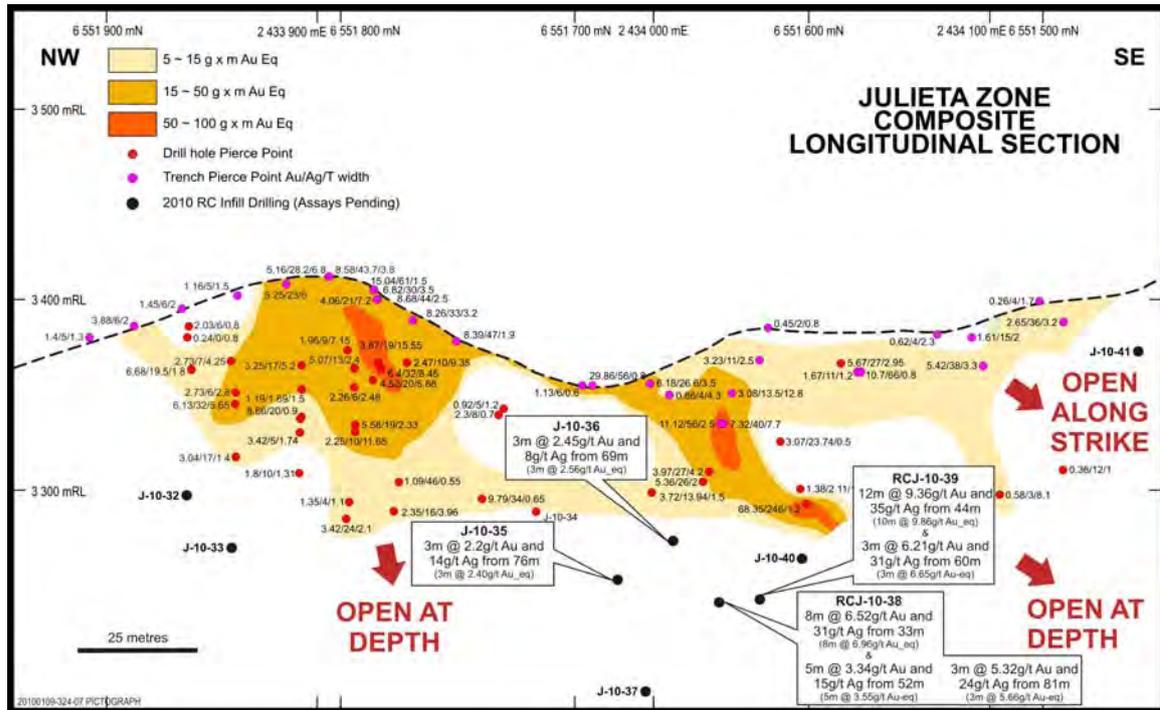


Figure 2: Julieta Target Longitudinal Section with Recent Drill Intercepts

Additional QAQC check sampling is currently in progress and once the check sampling is completed a geological model will be compiled and a block model developed followed by initial Resource estimation for the **Julieta Target**, which is expected to be completed in the next quarter.

Geological reconnaissance to the southeast along the **Julieta Vein** structure has identified a new 1km extension to the zone that hosts several outcropping veins. These include: a northwest - southeast striking quartz-calcite vein exposed over a total strike length of 160m and a north-south striking, outcropping quartz-calcite vein mapped over a 90m strike length. Vein width varies from 0.3m to 1.1m and the veins dip at a relatively high-angles (subvertical). Adularia is common in both quartz-calcite veins, as well as banded-brecciated with sections of well developed crustiform/colloform textures (see Figure 3).

The veins are hosted with a package of rocks that includes; porphyritic andesite, rhyolitic flows and minor andesite ashflow tuff. A series of felsic and mafic dykes (late) cut the veins. Several quartz-carbonate stockwork zones up to 2m wide were mapped. Current plans are to complete detailed geological mapping and systematic channel sampling in these veins to better define drill collars for a preliminary RC drill testing before the onset of winter.

To date, six new trenches (37m/35 samples) were completed and an additional 13 rock grab samples collected during field mapping along the northwest - southeast trending brecciated-banded quartz-calcite veins. Trench and rock chips assays are pending.

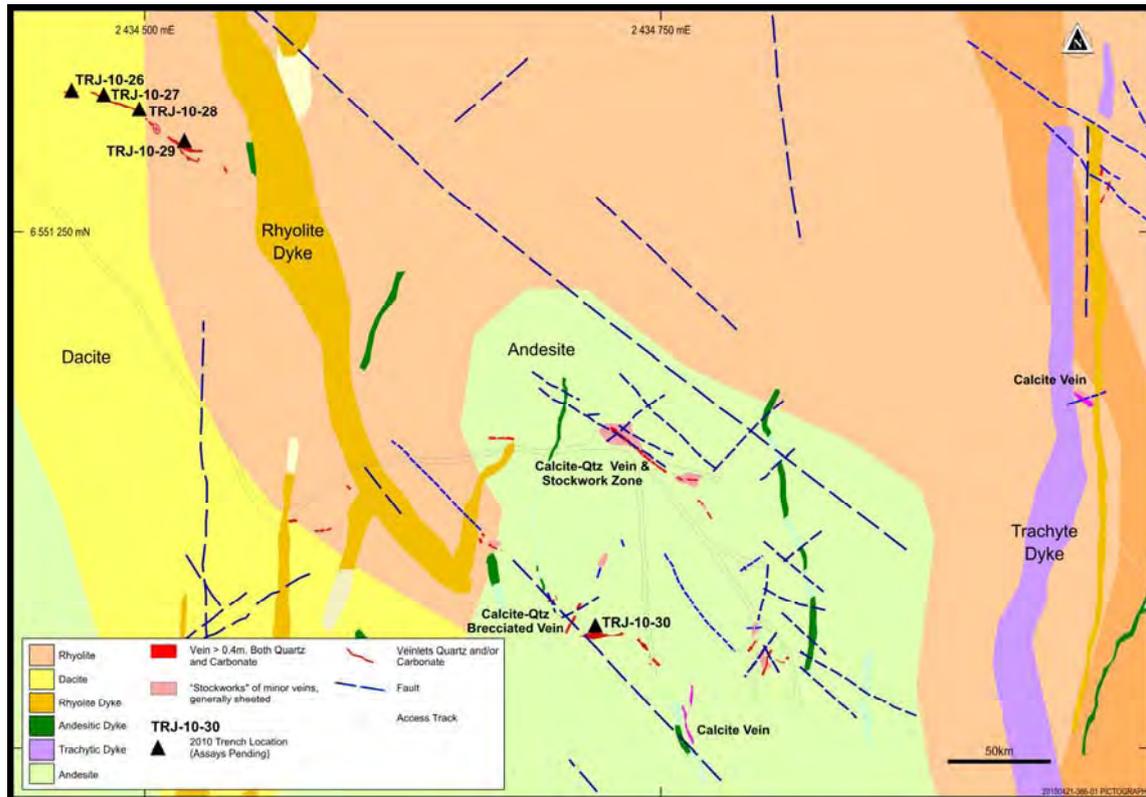


Figure 3: Julieta Southeast Target Geology

On the **Kamila-Mercado Gap Target**, drilling continued focused on testing both the northwest extension of the **Kamila** structure and the **Inca-Mercado** structure. From December 2009 until March 2010 a total of 10 RC holes/1808m were drilled in an attempt to infill this drilling gap within the main northwest – southeast corridor with the **Kamila Resource** bordering the “gap” to the southeast and **Mercado Resource** situated just northwest of the “gap”.

Significant assay results received to date include; **RC-10-23** that returned **1.80g/t gold – 290g/t silver over 1.0m** and **RC-10-21** that returned **3.77g/t gold – 186g/t silver over 4.0m**, including **7.06g/t gold – 293g/t silver over 2.0m** confirmed the continuity at depth of **Inca-Mercado Vein** (see Table 2). The veins are hosted into andesitic flows, intercalated with aphanitic felsic dykes. The mineralised interval consists of brecciated – banded quartz veins from 183m to 203m (downhole length) with narrows splays and stockwork zones extending the structure below the 2300mRL. The alteration included moderate to strong silicification (illite-smectite-pyrite) near the vein structure, grading to propylitic (chlorite – epidote – pyrite abundant) away from the veins and deeper in the andesite host rocks.

In March RC drilling commenced to test a second drilling “gap” along the favourable northwest-southeast trending structural corridor between the **Mercado Resource** and the outcropping veins at **Mercado NW Target**. By month end, four holes (**RC-10-28 – RC-10-31**) have been completed for a total of **916.5m** drilled. Several holes also targeted the **Mercado Resource** at depth below 2400RL. These holes confirmed the continuity of the zone for a further 100m vertical to the 2300RL. The zone consists of brecciated-banded quartz veining within stockwork zones (ranging from 2m to 4m downhole width) and hosted in propylitic altered andesitic flows. Subparallel aphanitic felsic dykes occur above and within the veins. Assays are pending. Step-out drilling to the northwest at 100m spaced section lines is continuing.



Castaño Nuevo Property (Troy Option earning 100%)

A compilation of historical information for the **Castaño** area was undertaken in January. Field work commenced with a series of reconnaissance geological mapping, rock grab sampling and prospecting traverses over **Castaño Nuevo Property**. Exploration focused on evaluating all known mineralised zones at **Castaño**. After this property wide assessment is completed target areas will be ranked and detailed follow-up work planned.

Gold mining activity started at the end of the last century at the **Castaño Nuevo Mine** and focussed on the low sulphidation epithermal vein system (comprising five veins). The mine workings have been flooded since the 1930's. Historic production records are not well documented and there is very little information regarding the grades and the volume mined. From the available government records the average grade of ore at **Castaño Nuevo** is believed to be about **20g/t gold**. The latest activity at this mine was during the 1960's when an Argentinean Government crown corporation reprocessed the tailings.

The most recent exploration was completed between 2003 and 2005 and included ground geophysics (Induced Polarization and Magnetics) over a buried porphyry target and a high sulphidation target located just west of the outcropping low sulphidation veins. The programme comprised a total of four shallow RC holes; two into each area respectively solely based on surface alteration mapping and geophysics. Channel sampling by previous explorers of the low sulphidation vein exposures in the historic underground workings was also completed and yielded gold assays ranging up to **15g/t gold and 150g/t silver**.

EXPLORATION – AUSTRALIA

Sandstone WA - Two Mile Hill Project

West BIF Target

All assays were received from the six Diamond Core “DC” holes (1411m) targeting massive pyrite replaced banded iron formation (BIF) on the west side of the **Two Mile Hill** tonalite intrusive (See Figure 4 and Table 3). Although most of the recent holes did intersect pyritic altered BIF, the widths of the mineralisation are significantly less than in earlier drill intercepts. The mineralisation still remains open up-dip to the south-west of **TDD040 (4.5m at 25.22g/t gold from 195m)** and **TDD041 (4.11m at 19.39 g/t gold from 195m)** which lie on sections 6892570N and 6892560N respectively.

The southernmost drill holes **TDD042** and **TDD043** effectively closed off the high grade mineralisation located at the base of the BIF but did intersect moderate grade mineralisation in the centre of the BIF related to narrow, shallow southeast dipping quartz veins similar to those seen in the tonalite stock.

Drill hole **TDD044** also did not intersect massive sulphide mineralisation in the base of the BIF but did intersect **5.2m at 8.66g/t gold from 176.8m** in the upper part of the BIF proximal to steeper south-southwest dipping quartz veins. This zone is likely to correspond with the upper mineralised zone of **4.4m at 2.72g/t gold from 188m** in discovery hole **TRCD733**. The lack of basal BIF mineralisation in this hole closes mineralisation off to the north.

TDD041 successfully intersected the basal massive pyrite mineralisation returning assays of **4.11m at 19.39g/t gold from 195m**. The massive pyrite exists as two discrete 50cm wide beds which have later been cut by a narrow aplite dyke. Folds in the BIF above the mineralised zone had a northeast plunging fold axis with an axial plane dipping -40° to the southeast. Since BIF was intersected lower than expected in the northern portion of the mineralised zone in holes **TDD045** and **TRCD821**, it is interpreted that the bedding has been deformed to give a broad, open, antiform which subsequently may be acting as a conduit for the tonalite derived mineralised fluids.

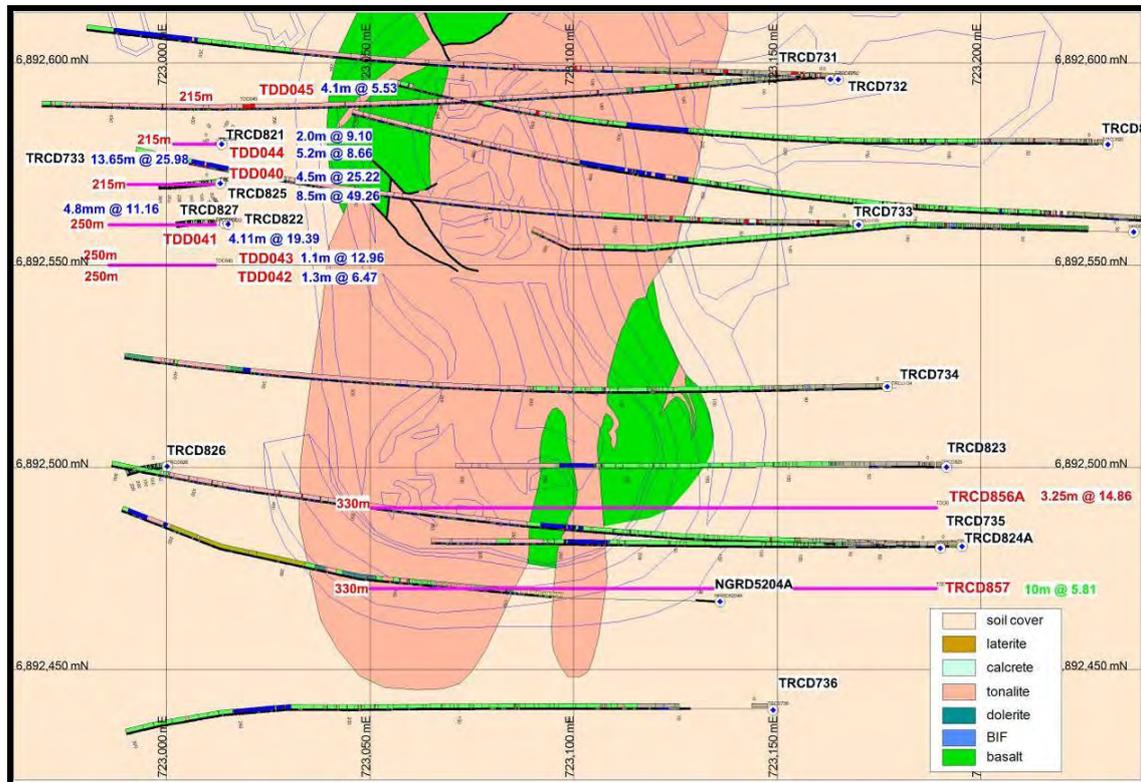


Figure 4: Geology and Drill Collar Locations at Two Mile Hill West BIF Target and East BIF Target

Eastern BIF Target

Two holes were drilled to intersect the BIF target on the eastern side of the **Two Mile Hill Pit** (See Figure 4 and Table 4). The two infill holes were drilled (569m including 371m DC) with an RC pre-collar in the weathered saprolite (198m RC pre-collars). Both encountered problems caused by unconsolidated gravel in the top 10m as well a general lift in the hole in the upper saprolite.

TRCD856A, the northernmost of the two holes completed was drilled to an end depth of 265m. The BIF was intersected from 214m to 235.5m however 55% of it had been stoped out by tonalite apophyses including a portion of the anticipated mineralised zone, which contained a 30cm wide zone of recrystallised and remobilised massive pyrite. However, an intersection of **3.25m at 14.86g/t gold from 215.25** was reported in this hole.

TRCD857 was drilled 20m to the south of **TRCD856A** to an end depth of 304m. The BIF was intersected from 220.5m to 240.15m and contained about 2% pyrite present in beds and veins. The bottom 75cm was strongly silica altered and brecciated, totally destroying the original BIF texture. Although this interval contained 30% disseminated pyrite, no encouraging gold values were returned.

The gold intersection in **TRCD856A** has shown that the massive pyrite BIF mineralisation on the east side of the tonalite has a strike length of 20m. It remains open down-dip to the northeast and along strike to the northwest for a short distance before being stopped out by the main tonalite stock.

A geological re-interpretation of the BIF mineralisation will be completed followed by a block model. A preliminary evaluation of the potential for mining, both open pit and underground will be completed in May.



Sandstone Nickel JV (Western Areas earning up to 70%)

During February two DC holes were completed and intersected nickel sulphide mineralisation at shallow depth in “Area C”. The target area has minimal outcrop, with no previous drilling for nickel (see Figure 5).

The first hole **WAD001**, drilled under RC hole **WARC008**, intersected komatiitic basalt and may have been drilled parallel to the strike of the underlying stratigraphy. The second hole **WAD002** intersected disseminated and vein style sulphides over a 30m interval starting from the base of oxidation to approximately 90m downhole depth. Preliminary Niton portable XRF estimates of the drill core returned spot values from **1.0% to 1.5% nickel** for the disseminated sulphides and up to **9.5% nickel** for the vein sulphides. Formal assays are required to confirm the Niton estimates.

The mineralisation in **WAD002** is interpreted to strike parallel to an underlying, magnetic banded iron formation. There is insufficient information at this stage to estimate the true width of the sulphide zone. Mineralisation occurs as disseminated, blebby, veined and locally brecciated sulphides which increase between 76m to 86m downhole depth. The host is a strongly carbonated ultramafic sequence. Drill hole **WAD 001** appears to have intersected the edge of the ultramafic sequence with minor sulphide to the north of **WAD 002**.

The intersection in **WAD002** is the first known significant occurrence of nickel sulphides reported at Sandstone.

A further two Diamond Core holes are in progress and results, including assays are expected early in the next quarter. Additional drilling as well as electromagnetic surveys are planned.

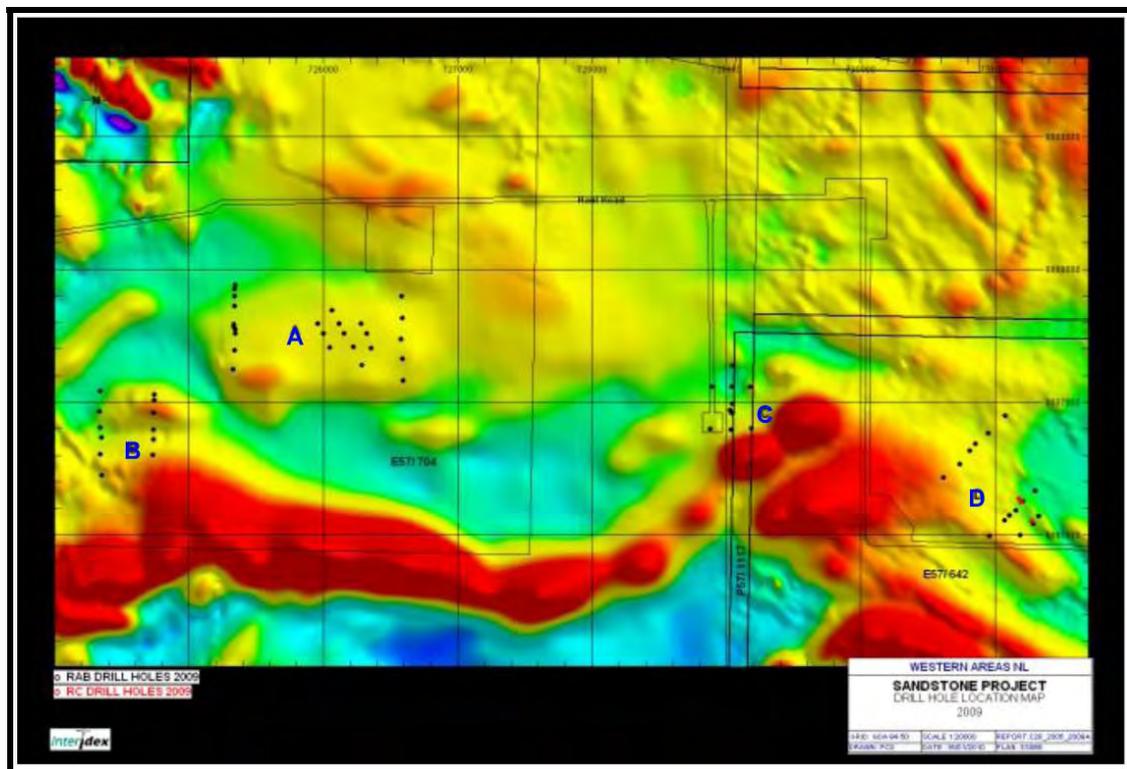


Figure 5: Magnetic Image with Location of Recent Drilling in Areas A to D



EXPLORATION – BRAZIL

Andorinhas Project (Troy 100% through Reinarda Mineração Ltda)

Coruja NE Deposit

At **Coruja NE**, assays from the latest three twin RC holes returned **6m at 7.12 g/t gold from 15m (BBC260)**, **1m at 7.69g/t gold from 44m (BBC261)** and **1m at 0.94g/t gold from 7m (BBC262)**. These twin holes were drilled adjacent to earlier Rotary Air Blast (RAB) holes and confirmed the mineralisation previously intercepted. Check assays using the external laboratory of SGS in Brazil, showed good correlation with the RML laboratory.

A geological model was compiled and **Mineral Resource and Reserve Estimates** were completed for the **Coruja NE Zone** during the quarter. At a **0.8g/t gold cut-off grade** the **Indicated Resource** is **166,700t at 3.65g/t gold** using an Inverse Distance Squared estimate with a top cut of **25g/t gold**. A **Probable Mining Reserve** Estimate and pit optimisation study resulted in a pit containing **64,200t at 4.76g/t gold containing 9,800oz**. This pit is scheduled to have a 5-month life based on a maximum mining rate of 250,000t per year.

A DC drilling program of six holes for about 700m is underway to test the **Coruja NE Target** at depth below the current Resource. By the end of the quarter, the first hole **BBD024** collared on the easternmost of the three planned sections was completed at a depth of 129.6m and encountered the targeted lode structure 110.5m downhole. The zone consisted of a 4m wide silicified biotite – pyrite altered zone which include a 0.35m wide quartz vein. Assays are pending. Drilling is continuing.

Mamão Mine Exploration - Barbosa East Target

A (4 hole/728.85m) underground Diamond Core drill program was completed to test the potential for a continuation of the **Mamão** mineralisation on the east of the **Barbosa Garimpeiro** underground workings. This underground drilling is part of a two stage program designed to follow-up and test the potential east of the **Barbosa workings** where earlier Troy shallow RC drilling produced encouraging results; the best of which was **MAC61: 3m at 25.77g/t gold**.

Visible gold was encountered in all four holes and significant assay results include; **MUD071: 5.07m at 7.28g/t gold**, **MUD072: 1.0m grading 5.18g/t gold** and **MUD073: 1.20m at 27.81g/t gold**. The current interpretation suggests this drilling has intercepted the eastern continuation of two of the **Mamão** mineralised lodes:

- **M1 Lode** situated below the **M2 Lode** and above the **Melechete Lode**; and
- **Melechete Lode**

The visible gold intercept on the **M1 Lode** (see Photo 1) that returned an assay of **137.98g/t gold over 0.90m from 93.70m downhole** represents a 10m step-out from the modeled **M1 Lode** position east of the old workings.

The gold intercepts interpreted as a continuation of the **Melechete Lode** east of the workings represent a down dip extension of the mineralisation about 100m below the earlier, shallower encouraging RC gold intercepts that included **MAC61** (see Figure 6 and Table 5).



Photo 1: Visible Gold from Hole MUD73 (0.90m grading 137.98g/t gold) interpreted to represent the M1 Lode at Barbosa East

Interpretation suggests there is potential to develop a mineralised lode located between 20m - 30m east of the old workings with over 100m of down dip extent. Additional infill and step-out drilling is planned.

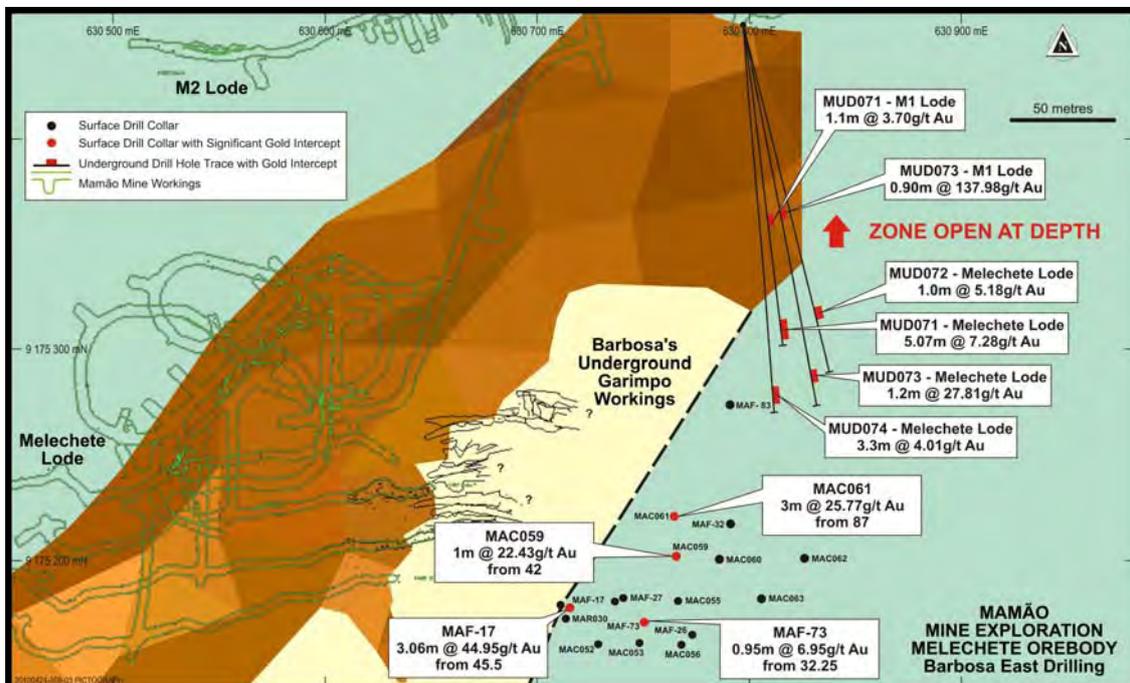


Figure 6: Barbosa East Drill Collar Plan with Significant Gold Intercepts

Mamão Underground Exploration

Melechete Lode 1080mRL West Sill Drive: development in progress. The average gold grade for Lode Channel Sampling was **0.45m at 26.49g/t gold** for the month of February. At the end of this reporting period the last Lode Channel returned **0.30m at 17.00g/t gold**. Current estimates are that there is about 13m remaining to be developed on this drive.



TROY RESOURCES NL
Quarterly Report for the Three Months Ending 31 March 2010

Melechete 1080mRL East Sill Drive: development in progress. Visible gold in quartz vein (see Photo 2a and Photo 2b). The average gold grade for Lode Channel Sampling was **0.70m at 34.78g/t gold** for the month of February. By the end of this reporting period development had ceased at the old **Barbosa** garimpeiro workings.

M2 Lode 1120mRL West Sill Drive: development continued but Lode Channel sampling yielded disappointing low grade assays. By the end of the quarter development was stopped.

Step-out drilling produced an assay of **1.50m at 3.34g/t gold** indicating that the low grade zone extends at least 15m to the west from the current face.

M2 Lode 1100mRL East Sill Drive: development in progress. Average grade for Lode Channel samples of **1.2m at 37.48g/t gold**. At the end of this reporting period the last Lode Channel returned **0.80m at 143.30g/t gold**. Development is ongoing.

M2 Lode 1100mRL West Sill Drive: development in progress but Lode Channel sampling producing low gold grades.

A total of 1293 lode channel samples were collected this quarter from production stopes and development sill drives. **Mamão Mine** exploration drilling resulted in 651 drill samples collected and submitted for gold analysis.



Photo 2a: Melechete 1080mRL East Sill Drive – High Grade Visible Gold



Photo 2b: Melechete 1080mRL East Sill Drive – High Grade Visible Gold



FINANCIAL REPORT

CASH POSITION

As at 31 March 2010, Troy within Australia held A\$21.0 million in available cash with major Australian banks and 558 ounces of gold awaiting sale (A\$0.7M at A\$1,213 per ounce). This equates to a total of approximately A\$21.7 million of liquid assets. In addition, Troy held A\$2.8 million in cash deposits as security for various environmental bonds.

Troy's wholly owned Brazilian and Canadian/Argentine subsidiaries held cash deposits of A\$5.9 million. Reinarda Mineração Ltda ("RML") held 23 ounces of gold awaiting sale (A\$0.03m at A\$1,213 per ounce).

The Troy group's available cash and other liquid assets was approximately A\$27.6 million as at 31 March 2010. Troy also held investments in listed securities with market values totalling A\$3.8 million as at 31 March 2010.

GOLD SALES

Gold sales from the Sandstone operation for the quarter were 8,948 ounces at an average price of A\$1,224 per ounce. The average Cash Cost was A\$1,039 per ounce which gives a Cash Margin of \$205 per ounce for the quarter.

During the quarter, RML sold 10,799 ounces of gold (approx. 6,400 ounces were produced during the December quarter) at an average price of US\$1,105 per ounce. The average Cash Cost was US\$669 per ounce, which gives a Cash Margin of US\$436 per ounce for the quarter.

Approximately 1,800 ounces of pure gold equivalent were stolen from RML's Andorinhas project during an armed robbery on 22 February 2010. This gold was fully insured and the payout is expected by the end of the financial year.

The stolen gold is currently recorded on the balance sheet as a receivable from the Company's Brazilian insurers at the cost of production. The full value and margin above cost will be recognised once the Company receives the insurance payout.

HEDGING

The Troy group is totally unhedged.

EXPLORATION EXPENDITURE

During the quarter, exploration expenditure incurred was A\$2.1 million of which A\$1.1 million was incurred in Australia, A\$0.2 million in Brazil and balance of A\$0.8 million in Argentina.

CAPITAL EXPENDITURE

Capital and development expenditure during the quarter was \$A9.4 million. This was made up of plant and equipment expenditure in Australia of A\$0.3 million, development expenditure in Argentina on the new Casposo Project of \$A7.4 million, plant and equipment expenditure at the Andorinhas Project in Brazil of A\$0.3 million and ongoing underground development for the Andorinhas Project of A\$1.4 million.



ATTRIBUTION STATEMENTS

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 Member 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 projects in Brazil, Australia and Argentina, including a description of Troy's quality assurance program, quality control measures, the geology, samples collection and testing procedures please refer to the technical reports filed which are available under the Company's profile at www.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.

This Quarterly Report is available on Troy's Website at www.try.com.au and under Troy's profile on SEDAR at www.sedar.com.

Table 1: Casposo Project – Julieta Zone
Preliminary Reverse Circulation In-Fill Drilling 2010
Significant – Gold – Silver and Gold_eq Assay Intersections (>2g/t Au_eq)

| Hole ID | East (m) | North (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) | Silver (g/t) | Gold_eq (g/t) |
|-----------|------------|------------|-------------|---------|-----------|----------|--------|---------------|------------|--------------|---------------|
| RCJ-10-35 | 2433964.54 | 6551656.59 | N000°E | -90 | 100 | 6.00 | 7.00 | 1.00 | 2.68 | 12.00 | 2.85 |
| | | | | | | 57.00 | 59.00 | 2.00 | 2.06 | 8.00 | 2.17 |
| | | | | | | 76.00 | 79.00 | 3.00 | 2.20 | 14.00 | 2.40 |
| RCJ-10-36 | 2433955.24 | 6551624.69 | N090°E | -50 | 100 | 45.00 | 46.00 | 1.00 | 1.93 | 10.00 | 2.07 |
| | | | | | | 59.00 | 62.00 | 3.00 | 5.03 | 34.00 | 5.52 |
| | | | | | | 69.00 | 72.00 | 3.00 | 2.45 | 8.00 | 2.56 |
| RCJ-10-38 | 2433993.92 | 6551609.18 | N000°E | -90 | 102 | 33.00 | 41.00 | 8.00 | 6.52 | 31.00 | 6.96 |
| Including | | | | | | 34.00 | 38.00 | 4.00 | 10.79 | 46.00 | 11.45 |
| | | | | | | 52.00 | 57.00 | 5.00 | 3.34 | 15.00 | 3.55 |
| | | | | | | 81.00 | 84.00 | 3.00 | 5.32 | 24.00 | 5.66 |
| RCJ-10-39 | 2433999.47 | 6551591.16 | N000°E | -90 | 103 | 12.00 | 13.00 | 1.00 | 9.36 | 35.00 | 9.86 |
| | | | | | | 44.00 | 56.00 | 12.00 | 7.99 | 43.00 | 8.60 |
| Including | | | | | | 44.00 | 47.00 | 3.00 | 10.71 | 46.00 | 11.37 |
| Including | | | | | | 51.00 | 53.00 | 2.00 | 18.88 | 139.00 | 20.87 |
| | | | | | | 60.00 | 63.00 | 3.00 | 6.21 | 31.00 | 6.65 |

Note: (*) denotes width is downhole length of drill core as true width cannot be accurately calculated.



TROY RESOURCES NL
Quarterly Report for the Three Months Ending 31 March 2010

Note: Gold equiv. = 70 Silver : 1 Gold

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 mineralized intersections after February 2006. Method numbers were GMA, ICP-AR-39 and Ag4A-50.

**Table 2: Casposo Project – Kamila- Mercado Gap Zone
 RC In-Fill Drilling 2009/10**

Significant – Gold – Silver and Gold_eq Assay Intersections (.2g/t Au_eq)

| Hole ID | East (m) | Nort (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) | Silver (g/t) | Gold_eq (g/t) |
|-----------|------------|------------|-------------|---------|-----------|----------|--------|---------------|------------|--------------|---------------|
| RC-09-21 | 2438735.60 | 6548688.45 | N090°E | -65 | 185.00 | 138.00 | 142.00 | 4.00 | 3.77 | 186.00 | 6.43 |
| Including | | | | | | 138.00 | 140.00 | 2.00 | 7.06 | 293.00 | 11.25 |
| RC-10-23 | 2438687.65 | 6548700.56 | N090°E | -75 | 241.00 | 237.00 | 238.00 | 1.00 | 1.84 | 285.00 | 5.91 |
| RC-10-25 | 2438676.00 | 6548676.00 | N090°E | -60 | 300.00 | 186.00 | 188.00 | 2.00 | 1.20 | 259.00 | 4.90 |
| RC-10-26 | 2438657.50 | 6548731.50 | N090°E | -75 | 274.00 | 252.00 | 253.00 | 1.00 | 0.86 | 177.00 | 3.39 |

Note: (*) denotes width is downhole length of drill core as true width cannot be accurately calculated.

Note: Gold equiv. = 70 Silver : 1 Gold

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 mineralized intersections after February 2006. Method numbers were GMA, ICP-AR-39 and Ag4A-50.

**Table 3: Sandstone Project
 Two Mile Hill – West BIF Target Diamond Core "DC" Drilling
 Drill Assay Results - Gold Intersections**

| Hole ID | East (m) | North (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) |
|-----------|----------|-----------|-------------|---------|-----------|----------|--------|---------------|------------|
| TDD045 | 723010 | 6892590 | 270 | -90 | 228.80 | 126.50 | 128.00 | 1.50 | 19.78 |
| Including | | | | | | 126.50 | 127.20 | 0.50 | 42.11 |
| | | | | | | 199.90 | 204.00 | 4.10 | 5.53 |
| Including | | | | | | 200.90 | 201.20 | 0.30 | 60.57 |
| TDD040 | 723013 | 6892570 | 270 | -84 | 211.20 | 195.00 | 199.50 | 4.5 | 25.22 |
| Including | | | | | | 196.50 | 198.50 | 2 | 56.10 |
| TDD042 | 723012 | 6892550 | 270 | -87 | 217.30 | 176.70 | 178.00 | 1.3 | 6.47 |
| | | | | | | 202.0 | 203.5 | 1.5 | 15.40 |
| TDD043 | 723012 | 6892550 | 270 | -84 | 214.30 | 157.70 | 158.8 | 1.1 | 12.96 |
| TDD044 | 723013 | 6892580 | 270 | -87 | 220.10 | 176.80 | 182.0 | 5.2 | 8.66 |
| Including | | | | | | 179.45 | 182.0 | 2.55 | 15.03 |
| TDD041 | 723012 | 6892560 | 270 | -84 | 214.20 | 195.00 | 199.10 | 4.1 | 19.49 |

Note: (*) denotes width is downhole length of drill core as true width cannot be accurately calculated.



TROY RESOURCES NL
Quarterly Report for the Three Months Ending 31 March 2010

Note: 5 metre composites

All samples were prepared and assayed by SGS Mineral Services Laboratory and Genalysis Laboratory Services Pty Ltd - INTERTEK Group Laboratory in Perth, Western Australia using Method FAA505 being Fire Assay on a 50 gram charge with an AAS finish

Table 4: Sandstone Project
Two Mile Hill Diamond Core "DC" Drilling East BIF Target
Significant Drill Assay Results - Gold Intersections (>2g/t Gold)

| Hole ID | East (m) | North (m) | RL (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) |
|----------|----------|-----------|--------|-------------|---------|-----------|----------|--------|---------------|------------|
| TRCD856A | 723190 | 6892490 | 521 | 270 | -65 | 265.00 | 215.30 | 218.50 | 3.20 | 14.86 |
| | | | | | | | 227.00 | 228.00 | 1.00 | 3.63 |
| | | | | | | | 245.00 | 248.00 | 3.00 | 2.18 |
| | | | | | | | 256.00 | 257.00 | 1.00 | 6.76 |
| TRCD857 | 723193 | 6892470 | 521 | 270 | -65 | 304.00 | 40.00 | 50.00 | 10.00* | 5.81 |
| | | | | | | | 289.0 | 290.00 | 1.00 | 3.28 |

Note: (*) denotes width is downhole length of drill core as true width cannot be accurately calculated.

All samples were prepared and assayed by SGS Mineral Services Laboratory and Genalysis Laboratory Services Pty Ltd - INTERTEK Group Laboratory in Perth, Western Australia using Method FAA505 being Fire Assay on a 50 gram charge with an AAS finish

Table 5: Andorinhas Project Diamond Core Drilling
Significant Gold Assays - Mamão Mine (> 2g/t gold)

| Hole ID | East (m) | North (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) | Target |
|-----------|-----------|------------|-------------|---------|-----------|----------|--------|---------------|------------|------------------------------|
| MUD053 | 630639.72 | 9175313.7 | 185 | -42 | 59.15 | 51.6 | 52.4 | 0.80 | 18.20 | Melechete |
| MUD054 | 630639.72 | 9175313.7 | 236 | -31 | 80.30 | 67.80 | 69.00 | 1.20 | 36.00 | Melechete |
| MUD055 | 630639.72 | 9175313.7 | 150 | -41 | 71.60 | 48.45 | 49.00 | 0.55 | 19.60 | Melechete |
| MUD056 | 630639.72 | 9175313.7 | 130 | -29 | 71.60 | 62.70 | 63.20 | 0.50 | 8.74 | Melechete |
| MUD058 | 630639.72 | 9175313.7 | 202 | -73 | 65.20 | 57.20 | 58.50 | 1.30 | 19.88 | Melechete |
| MUD059 | 630639.72 | 9175313.7 | 106 | -46 | 80.30 | 69.10 | 69.60 | 0.50 | 9.73 | Melechete |
| MUD060 | 630639.72 | 9175313.7 | 272 | -62 | 89.00 | 83.90 | 86.15 | 2.25 | 18.46 | Melechete |
| MUD061 | 9175315 | 630642 | 278 | -80 | 83.30 | 68.90 | 71.00 | 2.10 | 10.93 | Melechete 1080 infill |
| MUD062 | 9175315 | 630642 | 78 | -78 | 80.80 | 69.80 | 72.95 | 3.15 | 13.49 | Melechete 1080 infill |
| MUD063 | 9175315 | 630642 | 80 | -60 | 92.75 | 69.60 | 71.15 | 1.55 | 24.74 | Melechete 1080 infill |
| MUD064 | 9175315 | 630642 | 87 | -49 | 107.85 | 82.20 | 83.35 | 1.15 | 2.67 | Melechete 1080 infill |
| MMD014 | 630799.36 | 9175477.7 | 176 | -50 | 50.60 | 38.9 | 40.10 | 1.20 | 53.44 | M2 Lode |
| ***MAC054 | 630736.17 | 9175180.34 | 0 | -90 | 49.00 | 47.00 | 49.00 | 2.00 | 39.48 | Barbosa East |
| ***MAC059 | 630765.27 | 9175201.84 | 0 | -90 | 90.00 | 42.00 | 43.00 | 1.00 | 22.43 | Barbosa East |
| ***MAC061 | 630764.31 | 9175220.97 | 0 | -90 | 91.00 | 87.00 | 90.00 | 3.00 | 25.77 | Barbosa East |
| ***MA-F17 | 630714.94 | 9175177.37 | 210 | -70 | 80.30 | 45.5 | 48.56 | 3.06 | 44.95 | Barbosa East |
| ***MA-F21 | 630718.71 | 9175222.41 | 0 | -90 | 122.43 | 106.45 | 109.76 | 3.31 | 16.19 | Barbosa East |
| ***MAF-73 | 630750.03 | 9175170.23 | 180 | -65 | 192.90 | 32.25 | 33.17 | 0.95 | 6.95 | Barbosa East |
| MUD071 | 630797,52 | 9175454,94 | 173 | -23 | 167.25 | 101.20 | 102.30 | 1.10 | 3.70 | Barbosa East Melechete |
| And | | | | | | 156.73 | 161.80 | 5.07 | 7.28 | Barbosa East Melechete |



| Table 5: Andorinhas Project Diamond Core Drilling Significant Gold Assays - Mamão Mine (> 2g/t gold) (continued) | | | | | | | | | | |
|--|-----------|------------|-------------|---------|-----------|----------|--------|---------------|------------|------------------------|
| Hole ID | East (m) | North (m) | Azimuth (°) | Dip (°) | Depth (m) | From (m) | To (m) | Length(*) (m) | Gold (g/t) | Target |
| MUD072 | 630797,70 | 9175455,27 | 166 | -23 | 185.00 | 153.55 | 154.55 | 1.00 | 5.18 | Barbosa East Melechete |
| MUD073 | 630797,57 | 9175455,26 | 169 | 12 | 188.60 | 173.60 | 174.80 | 1.20 | 27.81 | Barbosa East Melechete |
| And | | | | | | 93.70 | 94.60 | 0.90 | 137.98 | Barbosa East M1 Lode |
| MUD074 | 630797,34 | 9175454,83 | 175 | 11 | 188.00 | 178.85 | 182.15 | 3.30 | 4.01 | Barbosa East Melechete |

Note: (*) denotes width is downhole length of drill core as true width cannot be accurately calculated.

() All samples were prepared and assayed by the RML Mine site laboratory with selected check sampling by SGS Mineral Services Laboratory using Method FA50 being Fire Assay on a 50 gram charge with an AAS finish.**

(*) Earlier surface drilling results by Troy and Previous Explorers**

FURTHER INFORMATION

Paul Benson
 Chief Executive Officer
 Troy Resources NL
 Perth, Western Australia
 Tel: (61 8) 9481 1277
 Email: troy@troyres.com.au

Annette Ellis / Warrick Hazeldine
 Media and Investor Relations
 Purple Communications
 Perth, Western Australia
 Tel: (61 8) 6314 6300
 Email: aellis@purplecom.com.au
whazeldine@purplecom.com.au