



MARCH QUARTER HIGHLIGHTS

KEY POINTS

- No lost time accidents in the Company.
- New high grade mineralisation at Kamila SE Extension outside the existing Mining Reserve at Casposo.
- Ore grade intersections at Julieta on the north western end of the Casposo leases.
- Second highest quarterly production on record at Andorinhas.
- Casposo on track to achieve budget throughput in June quarter.
- The company produced 15,687oz gold at US\$690/oz (net of silver credits) compared to 13,532oz gold at US\$549/oz in the previous quarter.

OPERATIONS

Brazil, Andorinhas

- Increase in ore widths and higher grades with depth coupled with improved mining productivity have enabled high quarterly gold production to continue.
- Gold production 11,369oz is second highest quarterly production on record.
- Unit cash costs to US\$582/oz.

Argentina, Casposo

- Plant modifications and improvements to operating performance made through the quarter and planned for April see the plant on track to achieve budget throughput in the June quarter.
- Production of 4,318oz gold and 72,069oz silver.
- Unit cash costs of US\$974/oz gold (net of silver credits).

EXPLORATION

Argentina, Casposo and Castaño Nuevo

- New high grade mineralisation at Kamila SE Extension including:
 - Hole CA-11-297; 1.90m at 6.36g/t gold and 1,470g/t silver or 27.35g/t Au_eq from 270.6m downhole.
 - Hole CA-11-300; 1.35m at 3.46g/t gold and 2,266g/t silver or 35.82g/t Au_eq from 306.4m and 5.40m at 8.18g/t gold and 2,607g/t silver or 45.43g/t Au_eq from 311m downhole.

These new intercepts are located outside and to the south east of the existing Mining Reserve.

- Julieta Main Zone South Vein drilling yields: 18.75m grading 4.71g/t gold and 31.68g/t silver or 5.16g/t Au_eq from 60.35m downhole.

Brazil, Andorinhas

- Significant gold-in-soil anomalies at the Marcinho target less than 2km from the Andorinhas processing plant with peak values ranging between 343ppb and 2,510ppb gold. The target will be drill tested in the June quarter.

CORPORATE

- The amount owing on the remaining 350,000 partly paid shares was paid to the Company during March and April netting A\$1.155 million.

COMMENTARY

Commenting on the quarter, Troy CEO Paul Benson said, "Strategically this has been an important quarter for the company. Operationally at Casposo our focus has been on identifying and understanding the issues with the circuit during commissioning and making the requisite modifications to both the plant but also to the operating practice.

"We started to see improvements flowing on from these in the month of March and they have continued at a faster pace through April. We still expect to achieve budget throughput rates in the June quarter.

"Pleasingly Andorinhas continues to perform well with its second highest quarterly production.

"Of most significance however were the excellent exploration results at Casposo. The high grade intersections in the Kamila extension zone are excellent in their own right but important also because of the potential to offset the scheduled drop in grade in year 3. If results continue with the same trend, we will look to bring an additional rig to site to complete infill drilling with the aim of bringing the block to Resource status.

"Similarly, although the ore grade intercepts at Julieta are important, they are strategically very significant because we now have ore grade mineralisation at either end of a 5km structure with the majority of this structure covered and untested with drilling. We are currently planning to complete airborne and ground geophysics along the length of the structure to identify additional drill targets".



OPERATIONS

CASPOSO, ARGENTINA (Troy 100% through Troy Resources Argentina Ltd)

Production

	March 2011 Quarter	9 Months to March 2011*
Processed (t)	22,262	32,262
Head Grade Gold (g/t)	6.87	6.05
Head Grade Silver (g/t)	130.11	106.06
Recovery Gold (%)	87.82	88.25
Recovery Silver (%)	77.39	75.72
Gold Produced (oz)	4,318	5,525
Silver Produced (oz)	72,069	84,227
Produced Gold Equivalent ⁽¹⁾ (oz)	6,118	7,631
Cash Cost Net Silver Credits ⁽²⁾ (per oz of gold)	A\$969 US\$974	
Cash Cost Co-product ⁽³⁾ (per oz of gold equivalent)	A\$1,147 US\$1,153	

*Note: Only minor production occurred prior to 1 January 2011

⁽¹⁾ Based on the ratio of sales prices realised

⁽²⁾ By-product costing

⁽³⁾ Co-product costing

Mining

	March 2011 Quarter	9 Months to March 2011
Total Ore Mined (t)	70,491	160,908
Gold Grade (g/t)	7.42	7.34
Silver Grade (g/t)	108.98	106.56
Waste Mined (BCM)	192,906	821,307

Occupational, Health and Safety

There were no lost time injuries or accidents during the quarter. A total of 84,548 man hours were worked with only 5 minor injuries treated as a result of work related accidents.

Environment

There were no environmental issues during the quarter. Environmental monitoring and implementation of systems and training has progressed well during the quarter. It is now a requirement to undergo a training and information session on an individual basis pre-employment on site as well as regular educational sessions as part of our ongoing safety training.

Processing

During the quarter work on commissioning the plant focused on specific areas in the Merrill Crowe and tailings section where filtering issues continued to provide an obstacle to achieve a ramp up to budget throughput levels. In particular tailings filtering was affected by periods of higher than anticipated levels of clay in the ore. Similarly, the clarification and precipitation sections could not achieve volumes required under the design without modifications.

A number of specialist consultants and contractors were employed to address these issues and to provide operational guidelines. Modifications were made to the Merrill Crowe section and tails filtering but the full impact of these will not be seen until the June quarter.

The plant design throughput is 1,100tpd. Due to the numerous stoppages associated with the issues above, and to allow the relevant modifications to be made, the plant averaged around 250tpd during the quarter. In the first week of April average throughput had reached 570tpd and over 700 tpd in the last week of April. With the modifications made through April or still planned to be completed, we still expect to reach design throughput levels in the June quarter.

By the end of the quarter metallurgical recoveries were in line with budget for silver at ~80% with gold recoveries ~6% below budget primarily due to the inability to wash the final tailings. This has now been partly rectified and budget recoveries are expected in the June quarter. Some of the material lost by the low recoveries will be recovered in time due to recovery of some of the liquid losses returning to a collection pond and from there to the mill circuit.

Training and staff performance remained an issue during the quarter but most of these areas are now well in hand, training of local staff remains high on the list of ongoing activities to refine and optimise the operation. Processing staff is being strengthened by the addition of senior process supervisors from Brazil plus specialist training personnel.



OPERATIONS

The maintenance department has been strengthened by the addition of an experienced supervisor. A database system for maintenance is being installed with maintenance procedures and planning based on systems used in Australia.

An agreement has been made with the University of San Juan to assist in two areas of processing namely monitoring and reporting of tailings dump behaviour and also metallurgy and plant optimisation. This will give us a dedicated team of experts and also access to a metallurgical laboratory as and when required.

Mining

During the quarter 70,491t of ore was mined at an average grade of 7.42g/t gold and 108.98g/t silver. Stockpiled ore at the end of the quarter was 145,877 at 7.10g/t gold and 97.66g/t silver.

With the slower than planned ramp up in milling rates the mine has established a large ore stockpile allowing the focus to move to waste pre-strip and tailings dam construction during the quarter. A separate supply contract was entered into with Sullair for provision of 3 large excavators and a similar contract was also negotiated to provide five 40 tonne dump trucks to arrive early June. Troy is currently sourcing additional engineering and supervisory staff for the mine.

The current mining contract is due to expire in June and at the moment we have the possibility to extend this but in order to ensure high productivity it is likely that we will take over a number of tasks to be done in-house.

Costs

In the early years of the mine life where silver is a relatively minor contributor to total revenue, it is appropriate to use "by-product" accounting where silver revenue is deducted from the cost base to determine a unit cash cost per ounce of gold produced. During the quarter Casposo produced 4,318oz of gold at an average cash cost of US\$974/oz net of silver credits.

The alternate method of reporting is using "co-product" accounting, where the silver is converted to "gold equivalent". Using co-product costing the mine produced 6,118oz Au_eq at a cash cost of US\$1153 /oz Au_eq.

The high unit cost is predominantly a reflection of the lower than planned production due to the slower ramp up. As throughput, and thus production increases, unit costs will decrease commensurately. In the month of March, 2,465oz of gold were produced at a unit cash cost of US\$477/oz net of silver credits. We expect to see the unit cash cost continue to fall as gold production increases.

Administration

Administration on site is being strengthened to move some work from the San Juan office to site. This will include purchasing and stores control in the near future. With the more frequent export of doré and the need to have customs agent visit regularly there is a need to acquire further equipment to assist and a small office space.

A power supply contract is being drawn up with a large supplier of electric energy is expected to come into effect by end of the calendar year when the 500kV line is completed and we can go on grid power. Current power draw is in the order of 3MW expected to go to 4.5MW when underground mining starts.



OPERATIONS

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

	March 2011 Quarter	March 2010 Quarter	9 Months to March 2011	9 Months to March 2010	December 2010 Quarter
Tonnes Milled	57,464	58,329	174,007	172,968	55,122
Head Grade (g/t gold)	6.54	3.90	6.78	4.63	8.10
Recovery (%)	93.7	90.6	93.5	91.5	93.7
Gold Produced (oz)	11,369	6,633	34,364	23,760	13,196
Cash Cost (per oz)	A\$579 US\$582	A\$853 US\$768	A\$606 US\$584	A\$709 US\$628	A\$556 US\$549

Occupation, Health and Safety

Reinarda has achieved 527 days without a lost time injury. For the quarter a total of 210,285 personnel hours were worked with no lost time injury.

Environment

There were no environmental problems, accidents or incidents during the quarter.

The old tailings dam is now full. Tailings from the plant are now going to the new dam. The old dam will be capped with topsoil at the end of the wet season and then will be planted with natural vegetation.

Production Results and Summary

Underground production tonnages and grade continued to be strong during the quarter with 50,890t of ore at 7.28g/t gold produced. With mining at greater depth the ore body width and grade have increased as per plan. In addition, improved rock support systems and accessing the Melechete stopes from the footwall have also contributed to significant increases in productivity and safety.

Mill feed grade was 6.54g/t gold for the quarter. The reduction over the previous quarter mostly reflected the fact that the mill treated low grade Lagoa Seca ore (3.14g/t gold) for two weeks. Mill throughput was also impacted by the failure of a mill motor which resulted in lower throughput for a 3 week period.

Gold production for the quarter of 11,369oz was 14% lower than the previous quarter with higher throughput only partially offsetting lower milled grades.



OPERATIONS

SANDSTONE, AUSTRALIA (Troy 100%)

	March 2011 Quarter	March 2010 Quarter	9 Months to March 2011	9 Months to March 2010	December 2010 Quarter
Tonnes Milled	-	103,322	96,992	358,387	-
Head Grade (g/t gold)	-	2.64	1.72	2.36	-
Recovery (%)	-	91.4	92.8	93.23	-
Gold Produced (oz)	-	7,994	5,321*	25,049	336*
Cash Cost (per oz)	-	A\$1,039	A\$846	A\$960	-
	-	US\$930	US\$758	US\$875	-

**(Sandstone completed production during September 2010, 336 additional ounces were recovered during the December quarter resulting from final site cleanup)*

Occupation, Health and Safety

There were no lost time injuries recorded during the March quarter.

Environment

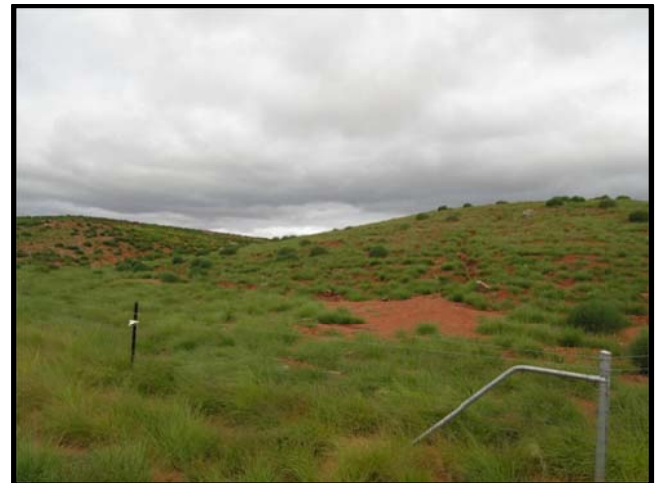
The rehabilitation the mining contractor’s workshop and lay down area was completed with infrastructure dismantled and moved off site. All contaminated material from the mine and mill was also removed and sent to Kalgoorlie for treatment. Seeding of all rehabilitation areas will be completed early next quarter.

Heavy rains during the quarter damaged many sections of the Lord Nelson and the Bulchina waste dumps, and damaged the boundary fence line and fence line road. Work has started on repairing the dumps, road and fence.

With the advent of the rain new growth on the rehabilitated waste dumps has occurred and with some ‘follow up’ moisture in winter the vegetation on the dumps should grow further and stabilise the dumps.

General

Ten tonnes of gold bearing material was extracted from around the gold room and mills and shipped to Nagrom’s mineral processing facilities in Kelmscott for treatment.



Rehabilitation at Lord Henry Waste Dumps



Contractor’s Workshop Infrastructure Area Cleared and Ripped Ready for Seeding



EXPLORATION

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

The main focus of the current program is drilling with three drill rigs currently in operation at Casposo.

Kamila Southeast Target

In early January, 2011 Troy commenced drilling on the extensions of the main veins that comprise the Kamila Deposit. The current program is designed to test the known veins (Inca Vein, B Vein, Aztec Vein and Southeast 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. Drilling comprised of a series of northwest to southeast oriented holes planned to test B Vein/Southeast Extension Vein at shallow depths (+/- 100m) and the Inca Vein deeper in each hole (about 250m – 350m).

On March 15, 2011 Troy announced preliminary results for CA-11-295 and final assays have confirmed the interval as 14.70m at 7.79g/t gold and 1,292g/t silver or 26.24g/t Au_eq from 342.50m that includes 14.2m from 343.0m to 357.2m: at 8.04g/t Au and 1,333g/t Ag. Since the early March drilling of Hole CA-11-295, follow-up drilling has focussed on delineating the Inca Vein southeast of the second dyke at the Kamila SE Target (see Figure 1, Figure 2 and Figure 3).

An additional 8 holes (3,175.4m) have been drilled and all holes have intersected the Inca Vein. Significant new Inca Vein assay results include; Hole CA-11-297; 1.90m at 6.36g/t gold and 1,470g/t silver or 27.35g/t Au_eq from 270.6m, including 0.80m at 14.23g/t gold and 3,379g/t silver or 62.50g/t Au_eq from 271.7m, Hole CA-11-300; 306.4m to 307.15m: 1.35m at 35.82g/t Au_eq; and 311.0m to 316.40m: 5.40m at 45.43g/t Au_eq (see Table 1).

These intercepts are all located southeast of the second rhyolite dyke and outside the current Mining Reserve. The current drilling has confirmed that both Inca Vein and the Southeast Extension Vein are mineralised and continue to the southeast which represents potential extensions to the underground Resource but additional drilling is required and planned.

Results to date have been very encouraging with a potential new zone of mineralisation suggested from the drilling completed to date at Kamila SE Extension Target.

New high grade mineralisation associated with variable vein widths has been encountered. To date the drilling density is insufficient to clearly define orientation and /or delineate the extent of the zone. Additional drilling is required and is in progress.

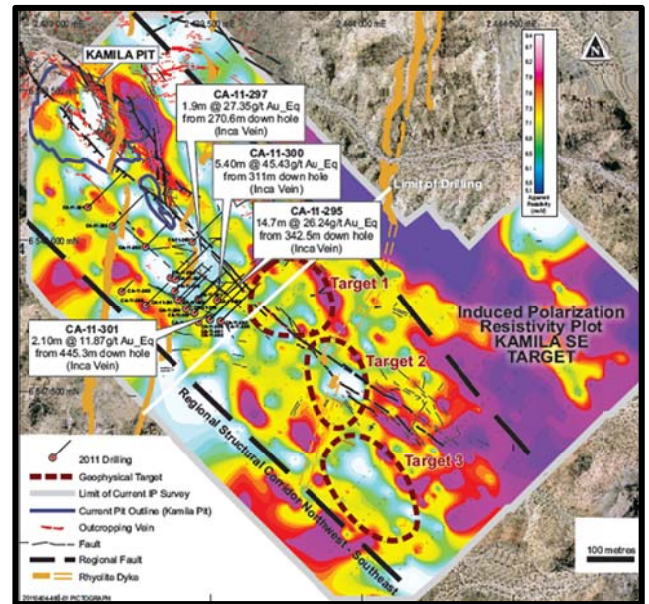


Figure 1: Kamila Southeast Zone Geology, Induced Polarization - Resistivity & Drill Collars

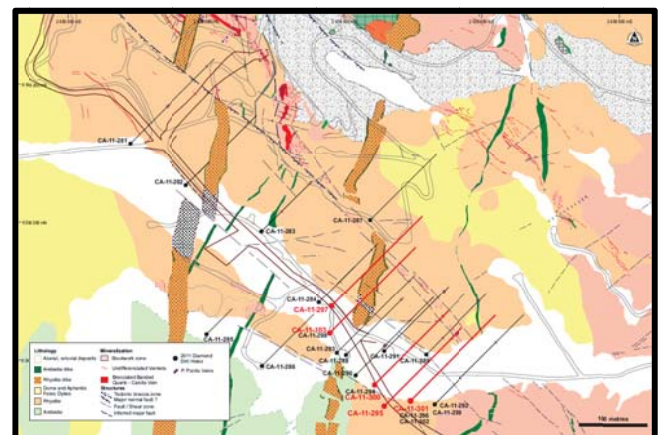


Figure 2: Kamila Southeast Zone Geology and Drilling



EXPLORATION

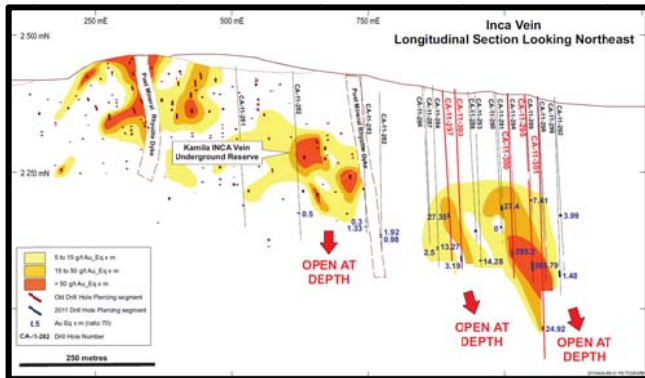


Figure 3: Kamila SE Target Longitudinal Section Inca Vein Gold Equivalent (gram /metres)

Julieta Target

The second rig is drilling at the Julieta Main Zone testing the area below the existing Resource with the objective of testing the possibility at depth for a change in vein mineralogy from calcite dominant to more silica dominant and a change in vein texture changes hopefully associated with an improvement in grade. We are targeting depths between 50m – 100m below the existing drilling.

Southeast Vein Zone: In 2010, Reverse Circulation “RC” drilling produced two encouraging gold assays intervals on the Southern Vein system. These included; RC-10-38 with 8.0m at 6.96g/t Au_eq from 33m plus 5.0m at 3.55g/t Au_eq from 52m and 3.0m at 5.66g/t Au_eq from 81m; and RC-10-39 with 12.0m at 9.86g/t Au_eq from 44m and 3.0m at 6.65g/t Au_eq from 60m. These intercepts are open down dip/plunge. Diamond Core “DC” Drilling commenced at the Julieta Main Zone in March 2011 with the current program testing the area below the existing Resource. The objective of testing the possibility at depth for a change in vein mineralogy from calcite dominant to more silica dominant and a change in vein texture changes hopefully associated with an improvement in grade. This drilling is targeting the vein systems at depths between 40m – 80m below the existing drilling (see Figure 4, Figure 5, Figure 6 and Table 2).

The first three 2011 DC drill holes were planned to test this potential northwest trending vein system: Holes JU-11-32 to JU-11-35 targeted the Southern Vein set at the Julieta Main Zone. Significant assay intervals include:

JU-11-32; 0.65m at 2.85g/t gold and 65.0g/t silver or 3.78g/t Au_eq from 62.40m downhole.

JU-11-33; 12.7m grading 4.54g/t gold and 18g/t silver or 4.80g/t Au_eq from 56.75m to 69.4m downhole including 2.0m at 6.73g/t gold and 37g/t silver or 7.25g/t Au_eq from 56.7m to 58.75m downhole and 1.8m grading 19.24g/t gold and 66g/t silver or 20.18g/t Au_eq from 61.6m to 63.4m downhole.

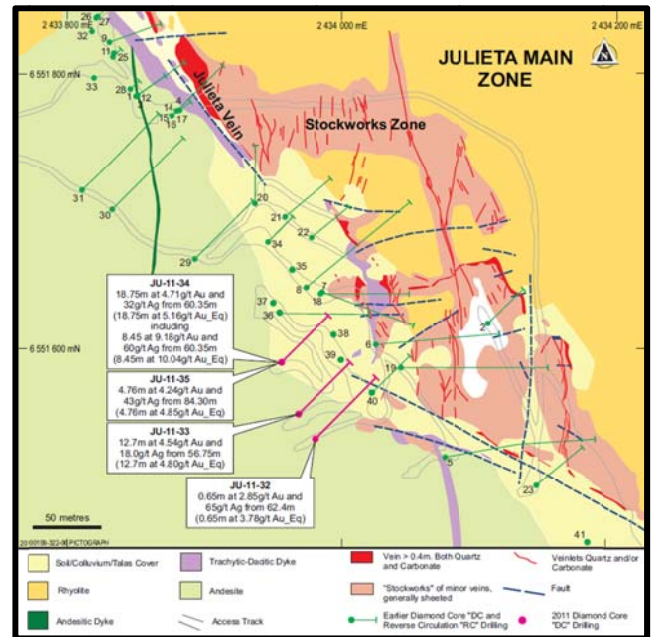


Figure 4 Julieta Main Zone Geology with 2011 Drill Collars and Assay Highlights

Additional mineralised intercepts in JU-11-33 include 1.96m at 1.96g/t gold and 7g/t silver or 2.06g/t Au_eq from 85.5m – 86.5m as well as 4.7m at 0.95g/t gold and 3g/t silver or 0.98g/t Au_eq from 94.5m to 99.2m downhole.

JU-11-34: 18.75m grading 4.71g/t gold and 32g/t silver or 5.16g/t Au_eq from 60.35m to 79.1m downhole including 8.45m at 9.18g/t gold and 60.46g/t silver or 10.04g/t Au_eq from 60.35m to 68.8m downhole and a narrow high grade interval of 0.65m grading 10.30g/t gold and 73g/t silver or 11.34g/t Au_eq from 73.85m to 74.5m downhole.

JU-11-35: 4.76m grading 4.24g/t gold and 43g/t silver or 4.85g/t Au_eq from 84.34m downhole and 4.68m at 2.54g/t gold and 29g/t silver or 2.96g/t Au_eq from 94.1m downhole.



EXPLORATION

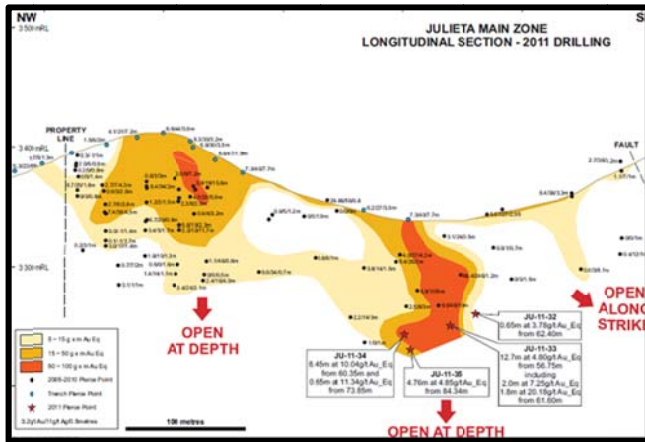


Figure 5: Longitudinal Section of Main Julieta Zone with Location of New and Proposed Hole Pierce Points

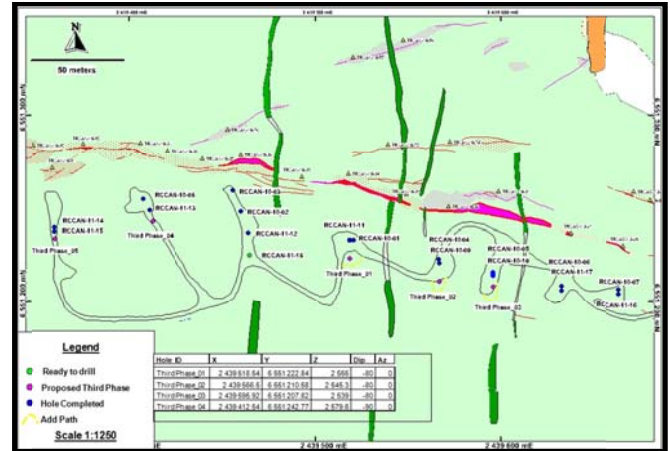


Figure 7: Location RC holes Casposo Norte



Figure 6: Julieta Main Zone New Access Track & Drill Pad View looking to the Southwest

Casposo Norte Target

Troy’s Reverse Circulation “RC” rig is drilling shallow step-outs along strike and at depth on Casposo Norte. During the quarter 6 holes were completed March (RCCAN-11-12 to RCCAN-11-17) totalling 481m. Since the drilling commenced on January 6th 2011, a total of 622m have been drilled in 8 holes (see Figure 8). This program has been plagued by mechanical problems with the rig and delays in sourcing replacement parts. Results from recent holes are displayed in Figure 7 and Table 3.

Target Assessment and Ground Follow-Up

Mapping and sampling of other outcropping veins is ongoing and we are currently building drill pads on the Lucia vein where some encouraging channel samples assays were reported late last year. Detailed structural vein focussed mapping recording vein mineralogy and textures as well as recording orientation and other structural data is underway. The current plan would be to rank outcropping vein targets for drilling. This work will be aided by the University of Western Australia – Centre for Exploration Targeting who are building a 3D model to aid in ranking the veins for drilling.

A detailed airborne (helimag-magnetics and radiometrics) survey is being planned as well as additional IP work over selected vein targets and portions of the main northwest to southeast corridor between Mercado and Julieta (covered by younger volcanoclastics). In preparation for this we are putting access tracks into that area to expedite surface work.

ARGENTINA, CASTAÑO NUEVO (Troy earning 100%)

The first phase of Diamond Core drilling was completed at Castaño and comprised of 27 shallow holes (see Figure 8). This drill program was planned as a wide spaced initial scoping of the three outcropping vein systems to depths up to 100m below surface. To date all of the holes have intersected narrow veins at the targeted depths.

At Dios Protégé Vein and San Agustin Vein drilling hit the vein as expected but generally resulted in narrow low grade assays. Vein textures and vein mineralogy along with some preliminary fluid inclusion work suggest we are still high in the system above the boiling zone.



EXPLORATION

While the drilling has generally returned anomalous gold assays, vein composition, textures and mineralogy indicate we are near the top of the epithermal system, and higher ore grades, if present, are likely to be found at depth. At the San Pedro Vein the holes targeted the depths of about 40m below surface. Each hole intersected a structure with some brecciation but little veining at the target depth. Deeper drilling of that structure is being considered.

Detailed relogging and surface alteration mapping is ongoing and follow-up drilling is scheduled for later in the year which will include some deep drilling.

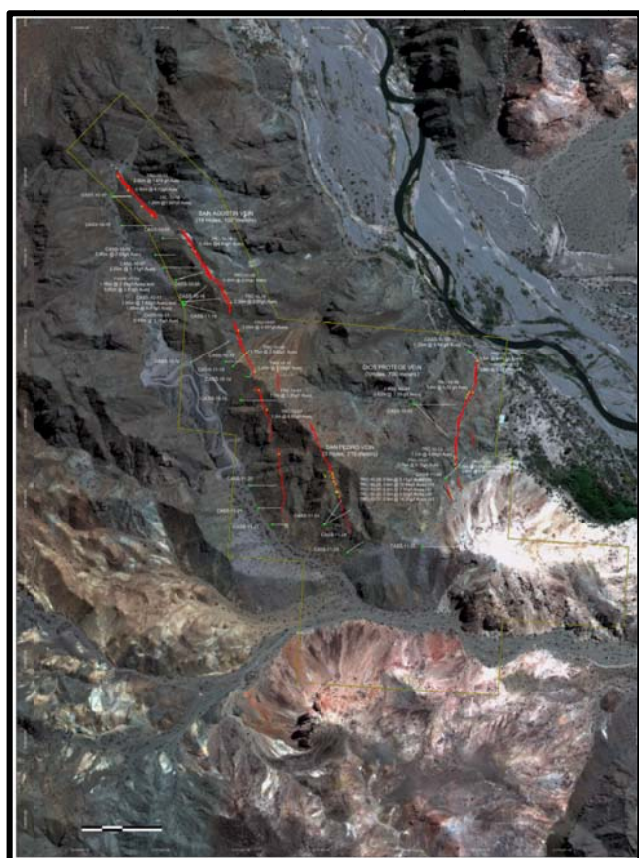


Figure 8: Castaño Nuevo Drilling – St Agustin Vein , Dios Protégé Vein & San Pedro Vein

BRAZIL, ANDORINHAS

(Troy 100% through Reinarda Mineração Ltda)

The rainy season has resulted in difficulties in access and delays in field work. Exploration during this period focused on the evaluation of the recently identified gold-in-soil anomalies at Marcinho and Lagoa Seca East Targets through geological mapping and rock sampling.

The Marcinho Target is located 1.2km north-northwest of Mamão Mine. Grid based soil sampling identified significant gold-in-soil anomalies (peak values range between 343ppb gold and 2,510ppb gold) occur over a strike length of 1,400m with coincident anomalous rock grab chip samples (see Figure 9 and Table 4 below). The better gold assays are associated with intensively deformed BIFs with quartz veins carrying oxidized sulphides. The Marcinho Main Target is east of Marcinho garimpo workings. Earlier historic drilling focussed on the down dip potential below the garimpo. These holes did not test the possibility of any potential plunge to northeast or extensions to east. Recent soil sampling in this extension area produced gold values as 2,510ppb, 470ppbb, 418ppb, 362ppb and 343ppb gold.

The mineralisation is associated with silicification and carbonate alteration as well as patchy disseminated pyrite developed in the host rock which is a Banded Iron Formations “BIFs”. The BIFs are cut by “en echelon” quartz veins and quartz veinlets are developed parallel to the BIF banding. The controlling west - northwest shear is exposed in the workings has been mapped over a 400m strike. The shear cuts the BIF foliation and banding.

At the top of the hillock the BIFs are intensively deformed displaying well developed drag folds with both dextral and sinistral displacement which is a similar deformation to the folding at the Mamão Mine. RC Drilling is planned.

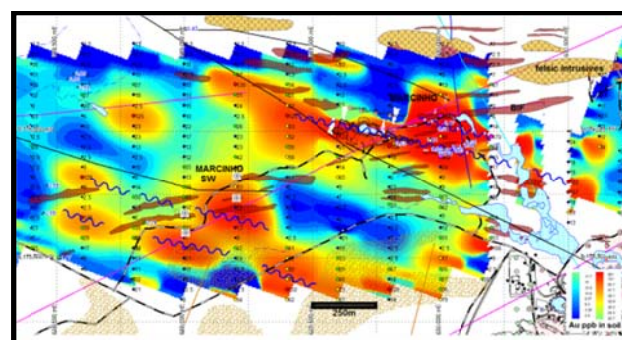


Figure 9: Soil Grid at Marcinho Area – Including Marcinho Main and Marcinho SW Targets

At Lagoa Seca East, gold-in-soil and rock grab samples with anomalous gold values have defined an east-northeast structural trend within the host meta-greywacke sequence in association with deformed felsic intrusives. This target has a similar structural setting as the nearby Lagoa Seca Pit but one key element is missing; to date no exposures of the ultramafic intrusives have been identified. Detailed geological mapping and additional rock grab sampling over the anomalies is underway in order to better define drill targets.



COMMUNITY

Community

At Troy we understand that we need to be valued by the communities with which we operate. We take our responsibilities seriously and are proud of the very positive impact we have had on these communities.

At Casposo in Argentina we will shortly commence weekly site tours for anyone from the local area interested in visiting the operation. Normal community relations work is ongoing with support for schools and special training and educational courses in the nearby town of Calingasta. The community relations office continues to function as normal with two full time employees. The Company continues to support local radio stations and presents talks by local doctors on hygiene and preventative medicine.

At Andorinhas in Brazil the Company continues to work with the local community and elected officials assisting in the construction of the Floresta do Araguaia football oval and associated facilities. The Floresta Ladies Group, ("AME"), has received considerable assistance from the Company to enable them to manufacture work uniforms for Company employees. In return, the AME are paid per article manufactured.



Floresta do Araguaia Football Complex under construction



Floresta Ladies Group ladies group with Reinarda work overalls



TROY RESOURCES NL

QUARTERLY REPORT

For the three months ended
31 March 2011

FINANCE REPORT

CASH POSITION

As at 31 March 2011, Troy within Australia held A\$5.1 million in available cash with major Australian banks. In addition, Troy held A\$2.7 million in cash deposits as security for various environmental bonds.

Troy's wholly owned Brazilian and Argentinean subsidiaries held cash deposits of A\$1.9 million. At quarter end, Reinarda Mineração Ltda ("RML") in Brazil held 289 ounces of gold awaiting sale (A\$0.4m at \$1,400 per ounce) and Troy Resources Argentina Ltd ("TRAL") held 883 ounces of gold equivalent awaiting sale (A\$1.2m at \$1,400 per ounce).

The Troy group's available cash and gold and silver bullion approximates A\$8.6 million as at 31 March 2011. A requirement of the Investec debt facility is that the Troy group is required to maintain a minimum available cash balance of A\$5.0 million.

In addition RML sold US\$2.9 million worth of gold on 30 March 2011 which was receivable at quarter end. The cash was received the beginning of April.

DEBT FACILITY

Troy has a debt facility with Investec Bank (Australia) Limited, totalling A\$35.0m. The facility has a three-year term to 31 March 2013. The first 25% is repayable by 30 September 2011.

As at 31 March 2011 Troy had drawn A\$27.0m of this facility and drew a further A\$3.0m on 5 April 2011.

NET DEBT & LIQUID ASSETS

Troy's Debt less available cash and liquid assets as at 31 March 2011, totaled approximately A\$18.4 million.

GOLD SALES

During the quarter, RML in Brazil sold 11,599 ounces of gold at an average price of US\$1,398 per ounce. The average Cash Cost was US\$582 per ounce, which gives a Cash Margin of US\$816 per ounce for the quarter. Underground development capital expenditure was approximately US\$176 per ounce produced for the quarter.

During the quarter, TRAL in Argentina sold 1,514 ounces of gold equivalent at an average price of US\$1,417 per ounce. The average cash cost was US\$1,153 per ounce which gives a cash margin of US\$264 per ounce. Due to the high silver content and resulting time for the refinery to process, sales can be greater than 1 month in arrears of production.

HEDGING

The Troy group is totally unhedged.

EXPLORATION EXPENDITURE

During the quarter, total exploration expenditure incurred was A\$2.3 million. Of this A\$2.0 million related to Argentina, A\$0.25 million to Brazil and the net remainder to Sandstone, within Australia.

CAPITAL EXPENDITURE

Capital and development expenditure during the quarter was A\$3.6 million. This was made up of A\$1.4 million in Argentina on the Casposo Project including A\$0.8 million for the local power line commitment. The remaining A\$2.2 million was incurred at the Andorinhas project in Brazil for ongoing underground development.



CORPORATE INFORMATION

Directors

David Dix, Non-Executive Chairman
Paul Benson, CEO, Managing Director
Ken Nilsson, Executive Director
Gordon Chambers, Non-Executive Director
Fred Grimwade, Non-Executive Director
John Jones, Non-Executive Director
Robin Parish, Non-Executive Director

Issued Capital

Ordinary Shares	87,968,823
Unlisted	
Employee Options	2,945,500
Employee Performance Rights	60,000
Investec (Australia) Bank Options	1,585,293

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Stock Exchange Listings

Australian Stock Exchange, ASX code: TRY
Toronto Stock Exchange, TSX code: TRY

Table 1: Kamila Southeast Zone Deep Drilling Summary of Assay Results - March Quarter

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-11-285	2439201	6547791	299.6	45	-80	270.75	272.1	1.35	0.16	44	0.79	1.35m at 0.79g/t Au_eq (Inca Vein)
CA-11-286	2439280	6547837	310.6	45	-70	218.45	219.4	0.95	0.35	55	1.14	0.95m at 1.14g/t Au_eq K SEXT
CA-11-288	2439403	6547808	344.5	45	-70	329.35	330.5	1.15	0.33	99	1.74	2.25m at 7.02g/t Au_eq (Inca Vein)
						330.5	331.6	1.1	2.17	726	12.54	
CA-11-289	2439519	6547806	250.3	45	-60	217.8	218.7	0.9	0.89	106	2.40	2.40m at 4.03g/t Au_eq (Inca Vein)
						218.7	220.2	1.5	2.38	184	5.01	
CA-11-291	2439458	6547813	266.3	45	-60	243.2	243.7	0.5	1.43	259	5.13	4.80m at 4.45g/t Au_eq incl 0.8m at 11.76g/t Au_eq from 244.5m (Inca Vein)
CA-11-292	2439531	6547736	367	45	-60	250.50	251.00	0.50	1.22	155	3.43	1.15m at 1.81g/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	296.35	297.20	0.85	0.15	18	0.41	0.85m at 0.41g/t Au_eq from 296.35m (Inca Vein)
CA-11-295	2439458	6547733	380.5	45	-65	334.00	334.60	0.60	0.38	86	1.61	1.30m at 1.94g/t Au_eq from 334m (Inca Vein splay?)
						334.60	335.30	0.70	0.47	123	2.23	
						337.20	338.20	1.00	0.87	301	5.17	1.00m at 5.17g/t Au_eq from 337.2m (Inca Vein splay?)
						343.00	344.00	1.00	3.75	1752	28.78	
						344.00	345.00	1.00	1.01	1134	17.21	14.70m at 26.24g/t Au_eq from 342.50m (Inca Vein)
						345.00	346.00	1.00	0.51	438	6.77	
						346.00	347.00	1.00	0.81	582	9.12	Including 347m – 355m: 8m at 12.55g/t gold & 1513.4g/t silver 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							



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						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	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	
						358.00	359.20	1.20	0.66	185.5	3.31	1.20m at 3.31g/t Au_eq from 358.0m (Inca Vein splay?)
CA-11-296	2439496	6547741	350.3	45	-60	268.80	269.15	0.35	0.22	67	1.18	0.35m at 1.18g/t Au_eq from 268.8m (Inca Vein)
CA-11-297	2439382	6547878	370	45	-60	270.60	271.70	1.10	0.63	81	1.79	1.90m at 27.35g/t Au_eq from 270.6m (Inca Vein)
						271.70	272.50	0.80	14.23	3379	62.50	

Note: (*) The column length represents downhole widths. At this time the Company has insufficient data to estimate true widths.

1. Au_eq grade calculated using a gold to silver ratio of 1:70. As per May 2010 Current Casposo NI-43101 Technical Report
The gold equivalent cut-off was determined according to the parameters below:

- Au/Ag ratio 1:70.00
- Au Price US\$933.33/oz
- Ag Price US\$15.50/oz
- Au processing recovery 93.7%
- Ag processing recovery 80.6%

Gold equivalency is determined by metal price and recovery factors. Metal prices were the average prices assumed in the Casposo life of mine plan. Processing recoveries were determined by metallurgical testwork carried out by independent consultants on diamond drill core from Casposo.

The equivalency is calculated by the formula - Gold: Silver ratio = (gold price ÷ silver price) x (gold recovery ÷ silver recovery)
= (933.33 ÷ 15.5) x (.937 ÷ .806)
= 70.00

Gold equivalency is calculated by the formula: Au_eq g/t = Au g/t + (Ag g/t ÷ 70.00)

2. NSR – No Significant Results All samples were prepared and assayed by Alex Stewart (Assayers) Argentina Laboratory in Mendoza Argentina.
3. Gold by FA and either a gravimetric or AAS finish, using method gold 4-50 or gold 4A-50 for samples with gold>10g/t
4. Silver 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 silver 4A-50.

Table 2: Julieta Target Diamond Core Significant Assay Results – March 2011

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)
JU-11-32	2433980	6551534	149.45	-45	-65	62.4	63.05	0.65	2.85	65	3.78	0.65m at 3.78 g/t Au_eq
						65.5	66.5	0.95	0.77	4	0.83	0.95m at 0.83 g/t Au_eq
						101	102	1	1.70	4	1.76	1m at 1.76 g/t Au_eq
JU-11-33	2433968	6551552	126.55	-45	-65	56.7	69.45	12.7	4.54	18	4.80	12.7m at 4.80 g/t Au_eq
					including	56.7	58.75	2	6.73	37	7.25	2m at 7.25 g/t Au_eq
					and	61.6	63.4	1.8	19.24	66	20.18	1.8m at 20.18 g/t Au_eq
						85.5	86.5	1	1.96	7	2.06	1m at 2.06 g/t Au_eq
						94.5	99.2	4.7	0.95	3	0.98	4.7m at 0.98 g/t Au_eq
JU-11-34	2433953	6551587	117.2	-45	-65	60.3	79.1	18.75	4.71	32	5.16	18.75m at 5.16 g/t Au_eq
					including	60.3	68.8	8.45	9.18	60	10.04	8.45m at 10.04 g/t Au_eq
					and	73.5	74.5	0.65	10.30	73	11.34	0.65m @ 11.34 g/t Au_eq
JU-11-35	2433953	6551587	144.15	0	-90	84.3	85.1	0.76	4.82	11	4.98	4.76m @ 4.85 g/t Au_eq
						85.1	86.1	1.0	2.35	13	2.54	
						86.1	87.1	1	2.4	41	2.99	



Table 2: Julieta Target Diamond Core Significant Assay Results – March 2011 (cont.)												
						87.1	88.1	1	5.74	77	6.84	4.68m @ 2.96 g/t Au_eq
						88.1	89.1	1	6.04	63	6.94	
						94.1	94.8	0.7	1.35	20	1.64	
						94.8	95.8	1	1.99	25	2.35	
						95.8	96.8	1	0.6	7	0.70	
						96.8	97.8	1	4.14	41	4.73	
						97.8	98.78	0.98	4.31	52	5.05	

Note: (*) The column length represents downhole widths. At this time the Company has insufficient data to estimate true widths.

Table 3: Casposo Norte RC Drilling Significant Assay Results												
Hole ID	Easting (m)	Northing (m)	Azimuth	Dip	Depth (m)	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)
RCCAN-11-12	2439464	6551237	355	-65	102	34.0	35.0	1.0	8.01	131	9.88	2m at 8.92g/t Au_eq from 34m
						35.0	36.0	1.0	6.87	76	7.96	
RCAN-11-13	2439411	6551248.54	350	-80	81	40.0	40.5	0.5	10	1	2.24	2m at 1.89g/t Au_eq from 40m incl 0.50m at 2.39g/t Au_eq from 41.50m
						40.5	41.0	0.5	5	1	1.20	
						41.0	41.5	0.5	4	1	1.72	
RCAN-11-14	2439360	6551239.56	15	-45	66	41.5	42.0	0.5	17	1	2.39	2m at 1.63g/t Au_eq from 41m incl 1m at 2.24g/t Au_eq from 42
						41.0	41.5	0.5	1.39	5	1.46	
						41.5	42.0	0.5	0.54	2	0.57	
						42.0	42.5	0.5	2.28	6	2.37	
						42.5	43.0	0.5	2.03	6	2.12	

Note: (*) The column length represents downhole widths. At this time the Company has insufficient data to estimate true widths.

Table 4: Andorinhas Marcinho Target Significant Rock Chip Grab Sampling Results				
Sample ID	East	North	Rock Type	Au_ppm
908277	630012,00	9175920,00	VQZ	32.88
908286	630009,00	9175927,00	SBI	22.67
908273	630009,00	9175923,00	VQZ	22.37
908280	630043,00	9175935,00	VQZ	14.80
908283	630007,00	9176030,00	VQZ	9.17
908272	629979,00	9175932,00	VQZ	8.61
908278	630047,00	9175930,00	VQZ	7.51
908314	629833,00	9175987,00	VQZ	7.34
908279	630046,00	9175928,00	SBI	6.93
908208	626694,00	9177829,00	VQZ	6.40
908285	630004,00	9176013,00	VQZ	5.31
908311	629080,24	9175724,19	SBI	5.12
908290	630885,00	9176236,00	SBI	4.90
908312	629956,00	9175967,00	VQZ	4.77
908304	629196,87	9175671,64	VQZ	4.43
908211	626440,00	9177824,00	SSW	3.21
908298	629204,07	9175721,36	SBI	3.01
908274	630085,00	9175947,00	VQZ	2.58
908284	630005,00	9176014,00	SBI	2.47



908281	630095,00	9175959,00	VQZ	2.35
908306	629205,30	9175667,03	VQZ	2.17
908275	629958,00	9175966,00	VQZ	1.46
908289	630898,00	9176196,00	VQZ	1.24
908149	628509,00	9175504,00	SBI	1.17
908276	629960,00	9175968,00	VQZ	1.14

Note: 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.

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 "qualified person" as defined in "National Instrument 43-101 – Standards of Disclosure for Mineral Projects". 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.