



TROY RESOURCES NL

ABN 33 006 243 750

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDING 30 SEPTEMBER 2009

HIGHLIGHTS

30 SEPTEMBER 2009

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 ⁽¹⁾:
74,694,744 ordinary shares
12,834 partly paid
350,000 unlisted partly paid
2,908,000 unlisted options

⁽¹⁾ As at 28 October 2009.

Directors:

Non-Executive Chairman:
John Dow
Executive Directors:
Paul Benson
Ken Nilsson
Non-Executive Directors:
Denis Clarke
John Jones
Alan Naylor
Gordon Chambers

Paul Benson
CEO
28 October 2009

OVERVIEW

- **32% increase in the contained equivalent gold (to 602,500 eq Au oz) in the Casposo Indicated Resource.**
- **47% decrease in the pre-production capital cost for the Casposo gold silver project in Argentina to US\$45 million.**
- **Relocation of the majority of the gold processing plant from storage in Cobar NSW to the port of Newcastle NSW in preparation for shipment to Argentina.**
- **Commencement of earth and civil works of the Casposo processing facility.**
- **Although early in the project construction schedule, the Casposo project is within budget and remains on target for first production in the September quarter of 2010.**
- **Quarterly gold production of 17,114oz, a 15% increase over the previous quarter.**
- **Cash, bank deposits and bullion of over A\$19 million.**
- **EGM to be convened on 16 November 2009, to consider Board composition resolutions tabled by Warrigal Ltd.**
- **AGM date set for 27 November 2009.**

OPERATIONS

Andorinhas

- The plant treated 49,398 tonnes of underground Mamão ore for two and a half months and 9,293 tonnes of Lagoa Seca stockpiled ore for two weeks.
- Underground development at Mamão is ahead of schedule to open new production faces for ore production.
- 17% increase in gold production over the June quarter to 10,171oz at a unit cash cost of US\$508/oz.

Sandstone

- Mill fed from new Lord Nelson pit cutback.
- Production of 6,943 oz gold, 12.8% more than the June quarter, at a unit cash cost of A\$943/oz.
- On track to produce 30,000oz of gold in 2010 financial year.



PROJECT DEVELOPMENT

Casposo

- Relocation of the majority of the gold processing plant components from storage in Cobar NSW to the port of Newcastle NSW in preparation for shipment to Argentina.
- Expected to depart Newcastle on November 9 arriving in Argentina around December 10 and delivered to site before the end of December.
- Commencement of earth and civil works of the Casposo processing facility.
- Although early in the project construction schedule, the Casposo project is within budget and remains on target for first production in the September quarter of 2010.

EXPLORATION

Argentina - Casposo

- Updated Indicated Mineral Resource of 2,369,000t grading 5.4g/t (grams per tonne) gold and 201.7g/t silver for 602,500 Au_{eq} (gold-equivalent) contained ounces. Indicated Resource increased by 147,600oz Au_{eq} consisting of 76,400oz gold and 6.3Moz silver.

Australia - Sandstone

- Resource Estimate of the tonalite hosted gold mineralisation was completed. This new Inferred Resource (at a 0.5g/t gold cut-off) is 10,541,000t at 1.3g/t gold for 452,000oz gold.

Brazil – Andorinhas

- At Coruja Northeast RC drilling produced: BBR069 3m at 7.94g/t gold from 16m in quartz veins with iron oxides hosted within metabasalt saprolite and BBC220 3m grading 4.86g/t gold from 41m close to the saprolite – fresh rock interface. The gold mineralisation is associated with pyrite bearing quartz veins hosted within deformed, biotite altered metabasalt and laminated banded iron formation (magnetite rich rock - BIF). Infill drilling is planned.

COMMENTARY

Commenting on the quarter, Troy CEO Paul Benson said, “The highlight of the quarter has been the pleasing progress at the Casposo project where we announced a 32% increase in the Indicated Resources and a 47% reduction in pre-production capital. Site civil and earthworks have commenced and the gold plant we have held in storage is being readied for shipment to Argentina in early November. Although still early days, we remain on budget and expect first production in the September quarter of 2010.

On the operations front this has been another solid quarter. Andorinhas is transitioning to the higher grade, underground Mamão ore and we expect the grade to increase through 2010. At Sandstone we have started to process ore from the final cutback of the Lord Nelson pit. As highlighted in the June Quarterly the unit costs at Sandstone have increased due to the overburden removal associated with the final cut back”.



OPERATIONS

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

Production Summary

	September 2009 Quarter	June 2009 Quarter	September 2008 Quarter
Tonnes Milled	58,691	58,416	45,756
Head Grade	5.81	5.12	5.46
Recovery	92.9	90.3	87.9
Gold Produced oz	10,171	8,643	6,946
Cash cost per oz	A\$620 US\$508	A\$665 US\$506	A\$804 US\$660

Occupational Health & Safety

A total of 181,710 personnel hours were worked during the quarter with a total of 6 lost time injuries.

Results

The proportion of underground ore in the mill feed increased significantly in the quarter which, compared to the June quarter, resulted in higher grade (5.81g/t vs 5.12g/t), higher metallurgical recovery (92.9% vs 90.3%) and higher throughput (58,691t vs 58,416t) which resulted in a 17% increase in gold production over the preceding quarter (10,171oz vs 8,643oz). Unit cash costs were 9% lower in local currency terms but slightly higher in US dollars (US\$508/oz vs US\$506/oz) due solely to the appreciation of the Brazilian currency against the US dollar over the period.

Environment

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

Mine Development and Production - Mamão Underground Mine

Jumbo development: A total of 863m was developed for the quarter. Ore produced for the quarter was 37,177t at 6.53 g/t gold.

Permitting

The Andorinhas operation is concentrating on obtaining the mine's environmental license. Once the environmental license has been issued the mining license will be signed shortly thereafter. It is anticipated that these two licenses will be issued within the next six months. In the meantime the Company continues to operate on the temporary permitting system.

General Comments

Although there has been an improvement in the consistency of electricity supply, the site still experiences interruptions and spikes which results in sub-optimal performance. The Company continues to work with the electricity supplier to improve the overall quality of power supplied to the site.



Processing

Other than interruptions due to power supply discussed above, the processing plant has had no major issues for the quarter. The Acacia intensive leach system has arrived in country and is the process of being cleared from port. The leach system will assist with the recovery of very fine gold as well as improve production security systems.

Underground Mining Operations

Development of the Melechete and M2 ore bodies are progressing well. New stope accesses have been opened on Melechete-1100 Level and the M2-1120 Level. In addition to this the M2-1140 West sill drive continues to be extended 50m beyond the Snowden's model for the ore body.

Improvements to the water drainage system at the bottom of the mine are continuing with the upgrading of the sump capacity and pump designs. Loader availability has been low for the quarter, the Company is looking at ways this can be improved to improve development and production potential. The Company is also looking to improve back fill and rock bolting practices underground, of particular importance as production progresses to depth.

Community

The Company is working hard to maintain good relations with the surrounding community. Several meetings have been held with representatives of Floresta do Araguaia during the quarter. The Floresta Company sponsored Police Station is nearing completion, as is the Floresta community sports ground where security fencing and two water wells have been installed and the field has been levelled. Top soil will be laid during October and grass seed planted thereafter.

Further meetings are planned with the Floresta representatives to review future Company sponsored community projects.

SANDSTONE – AUSTRALIA (Troy 100%)

Production Summary

	September 2009 Quarter	June 2009 Quarter	September 2008 Quarter
Tonnes Milled	130,066	118,891	146,673
Head Grade	1.77	1.74	2.40
Recovery	93.7	92.6	90.6
Gold Produced oz	6,943	6,157	10,271
Cash cost per oz	A\$946 US\$826	A\$543 US\$424	A\$627 US\$515

Health, Safety & Environment

There were no lost time injuries recorded during the quarter.

Audits using the Mines Department guidelines were undertaken in areas of the mine and mill. These audits will continue on a regular basis covering all areas of the operation to ensure compliance with statutory regulations.



A site visit by the Director and inspectors of the environmental division of the Department of Mines and Petroleum was hosted during the quarter. Current and past rehabilitated areas were inspected and a works program is currently being formulated to repair some erosion areas. Preparation for seeding of the waste dumps has commenced.

Results

Compared to the June quarter tonnes processed was 9% higher (130,066t vs 118,900t), grade was 1.7% higher (1.77g/t vs 1.74g/t), metallurgical recovery was higher (93.7% vs 92.6%) resulting in 12.8% higher gold production (6,943oz vs 6,157oz).

As forecast in the June quarterly report, unit costs were higher at A\$946/oz than in the June quarter (A\$543/oz) due to the cost of overburden removal associated with the Lord Nelson pit cutback. The June quarter costs benefited from the processing of low-grade stockpiles, which have no associated overburden costs.

Looking forward we see the processed gold grade increasing with a commensurate decrease in unit costs. Sandstone is expected to produce approximately 30,000 oz in the 2010 financial year.

Mining

Mining of the Lord Nelson cut back is progressing satisfactorily with 540,118 bcms of material mined during the quarter including 115,923t of ore at a grade of 1.79g/t. Pit dewatering continued and the discharge monitored by an environmental consultant. The waste dump is being progressively rehabilitated as mining progresses. Geotechnical checks and pit wall prism monitoring are continuing on a regular basis. Wet weather again affected mine production, with approximately six days lost due to rain.

Investigation, design and planning are continuing on several small deposits in the Sandstone region and feasibility studies are currently being concluded.

Processing

130,066t of ore at a grade of 1.77g/t was milled during the quarter yielding 6,943oz of fine gold. Mill throughput increased during the quarter because of lower moisture content, the re-introduction of the Pegson crusher and higher mill availability. The purity of the gold bullion also improved due to the treatment of the Lord Nelson ore. Mill recovery improved again to 93.7%.



PROJECT DEVELOPMENT

Casposo

During the quarter under review, pleasing progress was made at the Casposo project. While it is still early days, the project remains within budget and on schedule to produce first gold in September 2010.

- Key components of the gold processing plant held in storage in Cobar NSW were prepared for shipment to Argentina.
- A vessel was contracted for sea transport and land transport of plant parts from Cobar to Newcastle has commenced. The shipment is expected to depart Newcastle on 9 November for arrival in Argentina in December.
- During the past quarter most plant engineering was completed. Equipment needed in addition to the existing Australian plant was sourced in Australia, Canada, USA and Germany.
- Contracts were signed with local San Juan service providers for concrete and steel structures as well as the major infrastructure buildings.
- Design work for the bore field was completed and the permit required for construction of the pipeline will be issued by the end of October. The permit for earth works was received and the processing plant area was excavated, levelled, compacted and approved for construction with half of the leach tank concrete completed by end of September.
- Leach tanks were 30% completed by end of September in San Juan workshops with installation planned to start by the end of October.
- Work on mine access roads has commenced with access to the crusher area completed.
- Agreement was reached with the San Juan government with regards to rescheduling some of the capital contribution for the 500 kV power line to be constructed.
- Construction and earthmoving supervisors were seconded from Troy's Brazilian operation. Additional Argentinean staff were employed to provide safety and health support and some administrative tasks.
- Construction activities and costs are in line with budget.
- The Company continues its social programs with local schools and training of local workers for entry into the industry.



EXPLORATION REPORT

EXPLORATION – ARGENTINA

Casposo Project (Troy 100%)

Troy completed an update of the Casposo Mineral Resource that resulted in a 32% (147,600oz Au_{eq}) increase in the contained gold equivalent Indicated Resource. The updated Indicated Mineral Resource is 2,369,000t grading 5.4g/t gold and 201.7g/t silver for 602,500 Au_{eq} contained ounces (refer to Company Press Release dated July 29, 2009).

A nine hole for 850m reverse circulation (RC) drill program is planned to commence in November targeting a “drilling gap” at a shallow level of the Inca Vein located just 30m from the proposed B SE Vein Open Pit. Other targets to be drilled during the quarter include the Kamila – Mercado Gap and the Juileta Zone.

Geological mapping and channel sampling at the Cerro Norte Target was completed during the quarter. Channel sample assays produced a limited number of assays above 5.0ppm gold. The higher assays were associated with narrow splays of the main veins with peak values of 15.0g/t Au_{eq} over very narrow widths ranging from 0.3m to 0.6m.

At the Maya Vein Target, geological mapping and channel sampling was focussed on a brecciated-banded quartz vein hosted in rhyolite that strikes northwest - southeast and dips 50°-60° to the southwest. To date, the limited number of assays received yielded only slightly anomalous gold-silver mineralisation with values of 0.10g/t to 0.30g/t gold, and silver values less than 5g/t silver.

EXPLORATION – AUSTRALIA

A new Inferred Resource (at a 0.5g/t gold cut-off) of 10,541,000t at 1.3g/t for 452,000oz gold was estimated for the Two Mile Hill tonalite hosted gold mineralisation (refer to Company Press Release dated July 31, 2009).

At Two Mile Hill, drilling re-commenced in late August with eight holes (2000m) of Reverse Circulation and diamond core drilling to follow-up the high grade banded iron formation (BIF) hosted gold mineralisation on both the east and west side of the Two Mile Hill tonalite intrusive.

An extension of TRCD731 was drilled first and intersected 32.2m of BIF from a depth of 252.3m before being terminated in basalt at 294.8m. Alteration was limited to minor pyrite replacement.

Drilling then shifted to the east side of the tonalite where TRCD819A intersected a 30m wide BIF unit from 311m downhole. Assays have been received to a depth of 326.4m with best results of 2.4m at 2.16g/t gold from 315m and 1m at 3.36g/t gold from 323m in BIF.



Moving 70m south along the east side of the tonalite TRCD820 intersected 37m of BIF from a depth of 259.5m. The upper half of the BIF unit was cut by carbonate veinlets and pyrite is present along bedding planes, especially in the top 9m of the BIF which contained about 10% sulphides. In the upper portion of the hole at a depth of 117m, a 1cm wide basalt hosted quartz vein was present, containing multiple coarse gold grains. Visible gold was also identified in a shallow northeast dipping quartz vein at 203.6m. The tonalite was intersected from a depth of 337m and contained a 10m wide zone of visible gold bearing quartz veins from 384m.

Assays have been received for the extension to TRCD731 and for TRCD819A. Only narrow low grade gold mineralisation related to thin quartz veins was intersected in the BIF in TRCD731 with a best result of 1m at 1.4g/t gold from 264.5m. TRCD819A returned best results of 2.6m at 22.63g/t gold from 189.6m around a 25cm wide, sub-horizontal north dipping quartz vein; and 1m at 3.61g/t gold from 293.5m in a west dipping shear zone (see Figure 1 and Table 1).

There are five holes remaining to complete the current drill campaign, the last four of these will target the BIF on the more prospective west side of the tonalite.

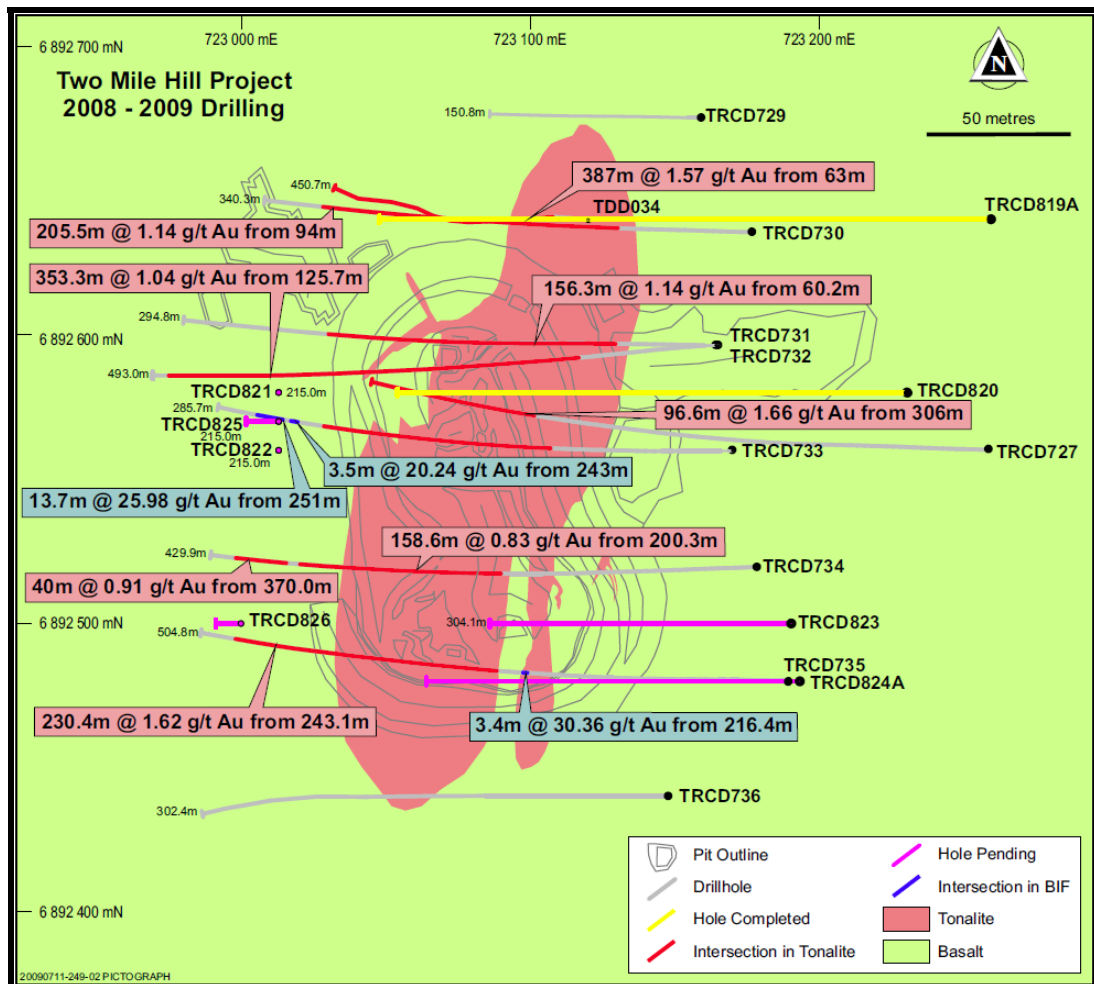


Figure 1: Two Mile Hill Geology and Drill Collars



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

Western Areas conducted their first Rotary Air Blast (RAB) drill program (63 holes / 3453m) targeting ultramafic units towards Dandaraga Station near the Troy haul road and also to the northwest of the Swede Prospect. Assay results are pending.

EXPLORATION – BRAZIL

Andorinhas Project (Troy 100% through Reinarda Mineração Ltda)

During the quarter the main exploration focus was the central and eastern portions of the Mamão – Babaçu Trend within 2km of the Mamão Mill.

The Coruja Northeast Prospect was developed as a conceptual structural target located in a gap in an east-west striking gold-in-soil anomaly. This 300m long target is located 130m northeast of the Coruja Pit with primary mineralisation associated with quartz veins in metabasalt. The area is partly covered by the hematite bearing colluvium and transported soil which forms the southern portion of the Estrela Iron Deposit.

RC drilling (13 holes / 825m) targeted to follow-up earlier encouraging RAB drill intercepts (2m at 1.84g/t gold from 6m (BBR068m), 9m at 4.77g/t gold from 16m and 1m at 13.58g/t gold from 43.00m (BBR072)) produced a number of encouraging gold results that included; 3m at 7.94g/t gold from 16m (BBC219); 3m grading 4.86g/t gold from 41m (BBC220), 2m at 22.82g/t gold from 59.00m (BBC227), 1m at 9.45g/t gold from 58m (BBC226), 1m at 5.62g/t gold from 55m (BBC228) and 1m at 6.78g/t gold from 45m (BBC230).

The Coruja Northeast Zone is open to west and down dip. This target exhibits similar style gold mineralisation, alteration, host rocks and structural setting to the Melechete Lode / M2 Lode. Additional drilling is planned (see Figure 2).

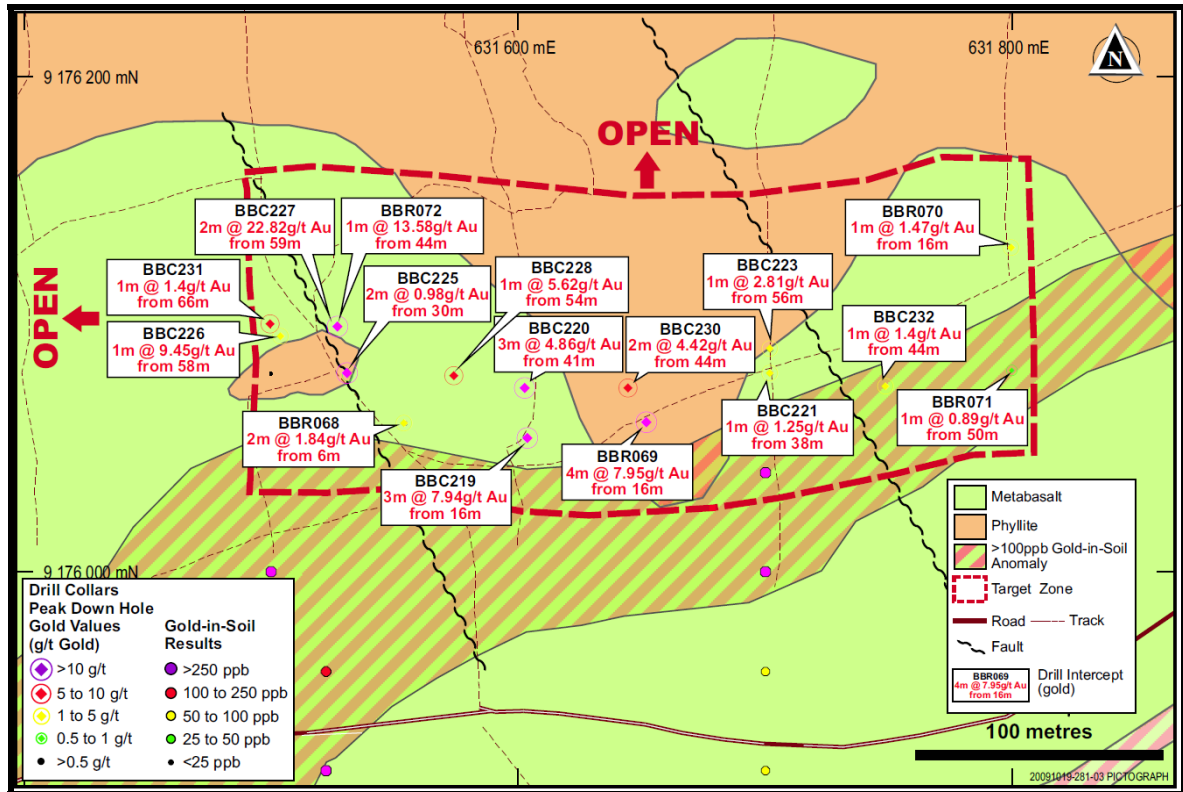


Figure 2: Coruja Northeast Geology and Drilling

West Rio Maria Target - Horizonte JV (Troy Earning 100%)

At West Rio Maria four east-west striking trends have been defined by anomalous gold-in-soils, gold bearing quartz vein rock grab samples and the presence of old workings. Three of the four zones have been drilled and resulted in little encouragement in terms of gold intercepts.

RC drilling (3 holes / 224m) at the Manoel Target tested the shallow quartz veins dipping to south as mapped at Manoel Garimpo where channel sampling yielded a peak interval of 3m grading 13.55g/t gold. Gold results were disappointing with a best value of 1m at 1.05g/t gold from 35m downhole. No further drilling is planned.

RC drilling at Anastácio targeted the main pit where the channel sampling produced a peak value of 3m at 12.34g/t gold. A two hole "scissor" section was completed and confirmed that the mineralisation is limited to 30m below the pit and has been cut out by a late dyke. Supergene enrichment is believed to have "upgraded" the gold content at shallow depths within the weathered profile and the gold values in the primary zone are limited to slightly anomalous gold concentrations. Post mineral dykes have "stoped out" potential gold bearing vein zones at West Rio Maria. No further drilling is planned.

At Serrinha, soil anomalies above 100ppb gold and up to 1,261ppb gold represent a southwest extension of the mineralisation mined in the pit. Northeast of the pit, the anomalous values suggest a possible extension of gold-in-soil values (up to 197ppb gold). At Bezerro, soil sampling to the northeast of the pit yielded a peak value of 178ppb gold and a rock grab sample of quartz vein from this area contained visible gold. An RC drilling program (12 RAB holes of 60m for 720m) is planned.



FINANCIAL REPORT

CASH POSITION

As at 30 September 2009, Troy within Australia held \$17.0 million in available cash with major Australian banks and 639oz of gold awaiting sale (\$0.7M at A\$1,135 per ounce). This equates to a total of approximately \$17.7 million of liquid assets. In addition, Troy held \$3 million in cash deposits as security for various environmental bonds.

Troy's wholly owned Brazilian and Canadian subsidiaries held cash deposits of \$1.4 million. At quarter end, Sertão Mineração Ltda ("SML"), Troy's 70% owned Brazilian subsidiary, had the equivalent of \$0.3 million in cash (Troy's share). Reinarda Mineração Ltda ("RML") held 24 ounces of gold awaiting sale (\$0.03m at A\$1,135 per ounce).

The Troy group equity share of available cash and other liquid assets is approximately \$19.1 million as at 30 September 2009. Troy also holds investments in listed securities with market values totalling A\$5.8 million as at 30 September 2009.

GOLD SALES

Gold sales from the Sandstone operation for the quarter were 6,123oz at an average price of A\$1,151 per ounce. The average Cash Cost was A\$946 per ounce which gives a Cash Margin of \$205 per ounce for the quarter.

During the quarter, RML sold 8,799oz of gold at an average price of US\$976/oz. The average Cash Cost was US\$508/oz, which gives a Cash Margin of US\$468 per ounce for the quarter.

HEDGING

The Company held put options at A\$900 per ounce over 11,800 ounces as at 30 September 2009. These options protect the downside price gold risk below A\$900 per ounce and leave the Company fully exposed to the benefits of any gold price upside. The put options mature on a monthly basis October through December 2009 at fairly constant volumes.

EXPLORATION EXPENDITURE

During the quarter, exploration expenditure incurred was A\$1.7 million of which \$0.9 million was incurred in Australia, A\$0.5 million in Brazil and the balance of A\$0.3 million in Argentina.

CAPITAL EXPENDITURE

Capital and development expenditure during the quarter was A\$6.3 million. This was made up of development expenditure in Argentina on the new Casposo Project of A\$5.5 million and ongoing capital for the Andorinhas Project in Brazil of A\$0.8 million.



WARRIGAL 249D ACTION

As announced on 25 September 2009, Warrigal Pty Ltd, a company controlled by Mr John Jones, a Non-Executive Director and former Chairman of the Company, which holds more than 5% of the Company's shares on issue, issued the Company with documentation requisitioning a meeting of shareholders to:

- Remove Mr Paul Benson, the current CEO and Managing Director of the Company, as a Director.
- Remove Mr Alan Naylor, the founding shareholder and a Director of the Company since 1984, as a Director.
- Remove Dr Denis Clarke, the Chair of the Company's Audit Committee and a Director of the company since 1999, as a Director.

And replace them with:

- Mr Peter Stern, an advisor to Mr Jones
- Mr Robin Parish, and
- Mr Andrew Barclay

Accordingly, a general meeting of the Company will be held on 16 November 2009 at 2:00pm at Parmelia Hilton (Karri Room), 14 Mill Street, Perth, Western Australia 6000 for shareholders to consider and vote on the resolutions requisitioned by Warrigal.

The Notice of Meeting, Explanatory Statement and proxy form were communicated to shareholders on 12 October 2009, with hard copies posted on 16 October 2009.

As detailed in the Explanatory Statement, the Board has formed a sub-committee comprised of Chairman, Mr John Dow and Director, Mr Gordon Chambers (the Independent Directors), to respond to the s249D requisitions.

The Independent Directors strongly encourage shareholders to carefully review the meeting documents to form their own view as to how to vote on the resolutions.

For the reasons set out in the Explanatory Statement, the Independent Directors recommend that shareholders vote against the resolutions to remove the three current Directors and appoint the nominees of Warrigal as directors of the Company in their place. These reasons include:

1. *The directors Warrigal seeks to remove are experienced Board members.*

The Independent Directors consider that experience, stability and continuity are important for effective management. Shareholders need to consider and form their own views on who is best placed to guide Troy through its exciting next phase of growth.



2. *The directors Warrigal seeks to remove have a proven track record, with experience and recent achievements including:*
 - 37 years of combined experience on the Board and over 60 years of experience as executives in the mining industry.
 - 380% increase in share price in the last 11 months.
 - The acquisition of Casposo.
 - Leading Troy into the ranks of Australia's top 300 companies with its admission to the ASX300 on 18 September 2009.
 - Achieving Troy's largest inventory of resources to date.
 - Employing a successful strategy of building mines quickly and at low cost – a strategy that has resulted in a 47% decrease in capital expenditure requirements for the Casposo project, as announced to the market on 5 August 2009.
 - Shareholders need to take this into account, along with the credentials of Warrigal's nominees, as set out in the attached Explanatory Statement.

3. *Electing Warrigal's three nominees and removing the three current directors will mean that four out of seven directors will be associated with or nominated by a substantial shareholder.*

If Warrigal's resolutions are passed, and its three nominees are appointed to the board and the three current directors are removed, this would mean that four directors (including Mr John Jones) out of seven directors on the Board are associated with or nominated by a substantial shareholder in Troy. Shareholders need to consider whether this is an appropriate corporate governance structure for Troy going forward.

Troy's Chairman, Mr John Dow intends to vote all undirected proxies against all six of the resolutions, namely against the resolutions to remove three existing Directors and against the resolutions to appoint three Warrigal nominees.

FURTHER INFORMATION

Mr. John Dow
Chairman
Troy Resources NL
Perth, Western Australia
Tel: (61 8) 9481 1277
Email: shareholders@troyres.com.au



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 member 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: www.troy.com.au and under Troy's profile on SEDAR at www.sedar.com.

**Table 1: Sandstone Two Mile Hill Zone
Diamond Drill Assay Results - Gold Intersections**

Hole ID	Easting (m)	Northing (m)	Azimuth	Dip	Depth (m)	From (m)	To (m)	Length* (m)	Gold (g/t)
TRCD731	723164	6892596	270	-55	294.8	264.5	265.5	1.0	1.40
TRCD819A	723259	6892640	270	-63	436	189.6	192.2	2.6	22.63
			including			190.6	191	0.4	56.71
						250	250.8	0.8	2.69
						293.5	294.5	1.0	3.61
						315	316	1.0	3.36
						323	325.4	2.4	2.16

Note: (*) denotes length is downhole length of drill core

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.

FURTHER INFORMATION

Mr. 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