TROY RESOURCES NL

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LORD NELSON – VICTORY !
GOLD DISCOVERY AT SANDSTONE

Troy Resources NL ("Troy") announces that it has made a **second** gold discovery, the **Lord Nelson Deposit**, in an area approximately 30 kilometres south-east of its Bulchina Mine near Sandstone, Western Australia. It has readily evident potential for economic development.

On 28 January 2004 Troy announced its **first** discovery, that of the **Lord Henry Deposit,** and noted that it had "excellent potential for economic development".

On 30 January 2004 in its Quarterly Report Troy reported that two reconnaissance rotary air blast ("RAB") drill holes 3.2 kilometres north of the Lord Henry Deposit had returned early promising gold results, namely 50m @ 0.51g/t Au and 28m @ 0.4g/t Au. This area, where no indications of gold mineralisation previously existed, was named the Lord Nelson Prospect.

Today's announcement outlines the exceptional results from the initial follow-up drill holes at Lord Nelson. Follow-up, which is ongoing, has included RAB, air core and reverse circulation drilling in excellent dry drilling conditions. *Table 1* (attached) lists all significant intersections obtained to date.

The gold lode system has been intersected on four drill traverses. The deepest intersections on each traverse are:

- Section 6883812N 17m @ 7.67g/t Au
- Section 6883740N 16m @ 9.51g/t Au
- Section 6883700N 24m @ 9.86g/t Au
- Section 6883602N 24m @ 4.50g/t Au *

* *incomplete intersection, hole ended in mineralisation*

The true thickness of the main lode system is interpreted to be about 90-95% of the above downhole intervals.

Mineralised subcrop occurs on Section 6883900N which is yet to be drilled. Additionally, wide-spaced shallow reconnaissance RAB drill holes on Section 6883400N returned intersections of 6m @ 1.7g/t and 1m @ 5.65g/t which suggests the lode system probably extends south to this section. **In summary, drilling has so far proved continuity of mineralisation over 210m, but there is an expectation that the lode system will extend for 500m or more.**

continued / ...

Mineralisation is interpreted to occur as multiple lodes that trend northerly and dip steeply west within a complex package of intermixed, sheared granitic rocks and mafic volcanics which overlies a generally barren ultramafic footwall unit (*Figure 1*). The highest grade mineralisation occurs preferentially in the granitic rocks. Mineralisation extends almost to the surface and is masked by thin surficial cover. On Section 6883700N (*Figure 1*), mineralisation near surface extends over a horizontal dimension of 125m. The lode system remains open to the north, south and at depth.

To date, the lode system has been intersected only in the oxidised zone. As illustrated on *Figure 1*, the depth of oxidation is around 60-80m. Although no metallurgical testing has yet been completed, the oxidised nature of the mineralisation strongly suggests it will be free milling.

No resource estimates have been made. Considerably more follow-up drilling is required to delineate the deposit to the point where resources can be confidently estimated. **However, the substantial widths and excellent grades of intersections obtained to date indicate the Lord Nelson discovery is much superior to Troy's earlier significant Lord Henry discovery and has evident potential for development as an open pit mine.**

The Lord Nelson Deposit occurs on a tenement that is wholly owned by Troy, although subject to some royalty arrangements. The existence of Troy's nearby Bulchina Mill should facilitate early development of Lord Nelson.

Two drill rigs are currently operating to extend and better define the deposit. The granitic rock/ultramafic rock contact, which appears to be a primary control of the gold mineralisation, has been traced continuously by reconnaissance RAB drilling and interpretation of aeromagnetic data over 5 kilometres from near Lord Nelson to Lord Henry. Mineralisation at both deposits occurs predominantly in the granitic rocks, and such rocks adjacent to the prospective contact form a high priority target for regional exploration. Geophysical surveys and programmes of extensive shallow geochemical drilling are planned for exploration of the prospective Lord Henry/Lord Nelson trend.

Applications have been made over all ground deemed prospective. Troy now controls tenements and applications covering 1,200 square kilometres in the Sandstone area.

Troy's Executive Chairman, John Jones comments: "Discovery of the Lord Nelson Deposit is a resounding victory for Troy's geologists in their battle to find significant gold deposits in the large Sandstone Greenstone Belt that surrounds the Bulchina Mine. Troy's exploration effort has been marked by dogged persistence in this difficult exploration terrain where extensive surficial cover masks much of the prospective bedrock. The Lord Nelson discovery comes after Troy drilled 5,000 exploration drill holes throughout the Belt and expended $8.8 million over the last five years.

"Lord Nelson is the best discovery ever made by Troy and it has the potential to transform the Company to a larger scale, long life gold producer. It surpasses our recently discovered Lord Henry Deposit, which we also expect to mine. The zone that has yielded both these discoveries is a most compelling target for further exploration. These

discoveries are tremendously satisfying and confirm Troy's ability to not only develop mines successfully, but also to make substantial discoveries.

"This is certainly an exciting time for Troy shareholders."

G F Kaczmarek
Company Secretary

ATTRIBUTION

Information in this report which relates to mineralisation is based on information compiled by Len Skotsch, a full time employee of Troy Resources NL who is a Member of the Australasian Institute of Mining and Metallurgy and has relevant experience as a Competent Person, as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves, in relation to mineralisation being reported on.

For further information:

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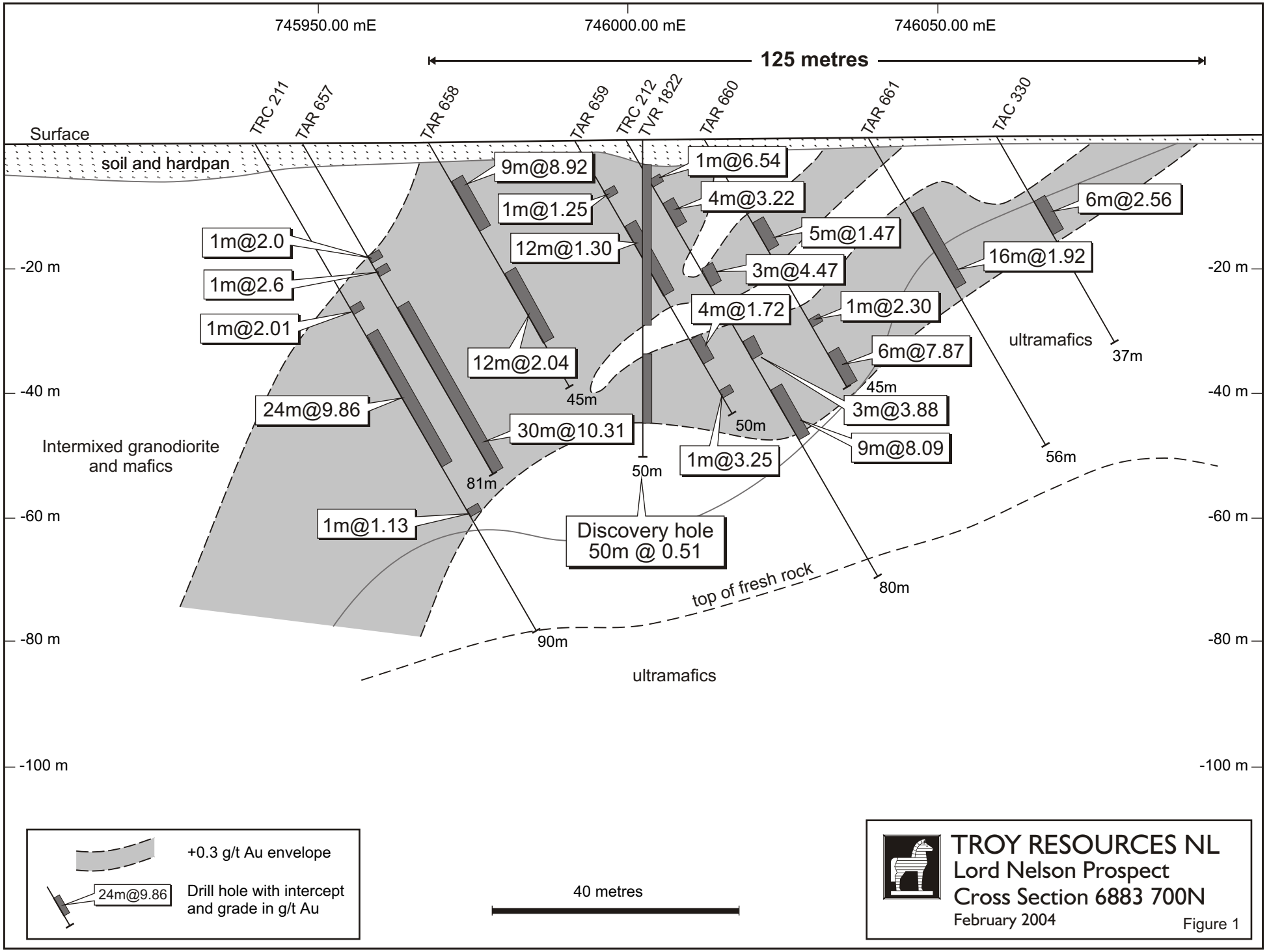
Table 1
Lord Nelson Deposit
Significant Drill Intersections

Hole ID	AMG East	AMG North	Dip/ Azimuth	Depth (m)	From (m)	To (m)	Length (m)	Grade g/t Au
RC Drilling								
TRC211	745940	6883700	-60/090	90	31	32	1	**2.01**
					36	60	24	**9.86**
				Incl	37	38	1	**22.47**
				Incl	42	43	1	**37.99**
				Incl	46	47	1	**35.55**
					68	69	1	**1.13**
TRC212	746000	6883700	-60/090	80	2	3	1	**1.33**
					7	8	1	**6.54**
					12	16	4	**3.22**
					24	27	3	**4.47**
					37	40	3	**3.88**
					46	55	9	**8.09**
Air Core Drilling								
TAC330	746060	6883700	-60/090	37	11	17	6	**2.56**
TAC331	746015	6883800	-60/090	27	21	24	3	**1.15**
TAC332	746025	6883740	-60/090	51	24	33	9	**5.33**
TAC333	746050	6883740	-60/090	63	7	12	5	**1.57**
TAC334	746000	6883740	-60/090	75	12	16	4	**1.12**
					41	49	8	**1.20**
TAC335	745975	6883740	-60/090	57	16	23	7	**8.71**
				Incl	22	23	1	**48.27**
					36	39	3	**5.86**
TAC336	745950	6883740	-60/090	56	17	47	30	**2.95**
				Incl	26	27	1	**21.27**
TAC337	745925	6883740	-60/090	60	35	51	16	**9.51**
				Incl	36	37	1	**37.29**
				Incl	40	41	1	**29.96**
TAC338	746075	6883600	-60/090	19	6	14	8	**4.21**
				Incl	8	9	1	**18.72**
TAC339	746050	6883600	-60/090	31	26	31	5	**1.51**
TAC340	746025	6883660	-60/090	49	0	2	2	**1.45**
					19	20	1	**2.76**
					37	45	8	**2.76**
					47	49	2 (EOH)	**7.20**
RAB Drilling								
TAR657	745947	6883698	-60/090	61	21	22	1	**2.00**
					24	25	1	**2.60**
					31	61	30	**10.31**
				Incl	31	32	1	**59.50**

Hole ID	AMG East	AMG North	Dip/ Azimuth	Depth (m)	From (m)	To (m)	Length (m)	Grade g/t Au
TAR658	745967	6883699	-60/090	45	2	4	2	**1.79**
					8	17	9	**8.92**
				Incl	15	16	1	**47.50**
					25	37	12	**2.04**
TAR659	745991	6883697	-60/090	50	9	10	1	**1.25**
					16	28	12	**1.30**
					37	41	4	**1.72**
					46	47	1	**3.25**
TAR660	746012	6883698	-60/090	45	15	20	5	**1.47**
					33	34	1	**2.30**
					39	45	6	**7.87**
TAR661	746039	6883704	-60/090	56	11	27	16	**1.92**
TAR663	745983	6883602	-60/090	42	18	42	24	**4.50**
TAR665	745946	6883812	-60/090	33	9	26	17	**7.67**
TAR666	745967	6883817	-60/090	44	5	9	4	**42.92**
				Incl	7	8	1	**164.50**
					21	22	1	**4.75**

RC & AC assay method: 40g Fire Assay
RAB assay method: 50g Aqua Regia


745950.00 mE
746000.00 mE
746050.00 mE
125 metres
TRC 211
TAR 657
TAR 658
TAR 659
TRC 212
TVR 1822
TAR 660
TAR 661
TAC 330
Surface
soil and hardpan
9m@8.92
1m@1.25
12m@1.30
1m@6.54
4m@3.22
5m@1.47
3m@4.47
4m@1.72
1m@2.30
6m@2.56
16m@1.92
1m@2.0
1m@2.6
1m@2.01
12m@2.04
45m
24m@9.86
30m@10.31
81m
50m
1m@3.25
6m@7.87
45m
3m@3.88
50m
9m@8.09
56m
ultramafics
37m
Intermixed granodiorite and mafics
1m@1.13
Discovery hole
50m @ 0.51
top of fresh rock
80m
90m
ultramafics
-20 m
-40 m
-60 m
-80 m
-100 m
+0.3 g/t Au envelope
24m@9.86
Drill hole with intercept and grade in g/t Au
40 metres
TROY RESOURCES NL
Lord Nelson Prospect
Cross Section 6883 700N
February 2004
Figure 1