

**TROYMET EXPLORATION CORP.**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**SIX MONTHS ENDED APRIL 30, 2010**

Notice to Reader

The accompanying unaudited interim financial statements of Troymet Exploration Corp. for the six months ended April 30, 2010 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Corporation. These statements have not been reviewed by the Corporation's external auditors.

Dated June 28, 2010

“Kieran Downes”

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Kieran Downes  
President and Chief Executive Officer

“Brian Cebryk”

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Brian Cebryk  
Chief Financial Officer

**TROYMET EXPLORATION CORP.  
BALANCE SHEET**

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**ASSETS**

	<b>April 30 2010</b>	<b>October 31 2009 (audited)</b>
<b>CURRENT</b>		
Cash and cash equivalents	\$ 76,261	\$ -
Accounts receivable	48,519	34,695
Short term investments	250,081	185,132
Prepaid expenses	<u>5,780</u>	<u>2,785</u>
	<b>380,642</b>	<b>222,612</b>
<b>MINERAL PROPERTY (Note 2 and Note 3)</b>	<u><b>3,627,000</b></u>	<u><b>3,521,902</b></u>
	<u><b>\$ 4,007,642</b></u>	<u><b>\$ 3,744,514</b></u>

**LIABILITIES**

<b>CURRENT</b>		
Cheques written in excess of cash on deposit	-	15,513
Accounts payable and accrued liabilities	<u>208,495</u>	<u>456,048</u>
	<b>208,495</b>	<b>471,561</b>
<b>FUTURE INCOME TAX LIABILITIES</b>	<u><b>39,767</b></u>	<u><b>97,778</b></u>
	<u><b>248,262</b></u>	<u><b>569,339</b></u>

**SHAREHOLDERS' EQUITY**

<b>CAPITAL STOCK (Note 4)</b>	4,311,614	3,591,614
<b>CONTRIBUTED CAPITAL (Note 4)</b>	325,933	137,190
<b>(DEFICIT)</b>	<u>(878,167)</u>	<u>(553,629)</u>
	<u><b>3,759,379</b></u>	<u><b>3,175,175</b></u>
	<u><b>\$ 4,007,642</b></u>	<u><b>\$ 3,744,514</b></u>

**TROYMET EXPLORATION CORP.  
STATEMENT OF LOSS AND DEFICIT**

	Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended
	April 30 2010	April 30 2009	April 30 2010	April 30 2009
<b>EXPENSES</b>				
Management fees	\$ 28,038	\$ 26,608	\$ 57,175	\$ 51,208
General and administration	4,880	6,878	10,819	11,909
Interest expense	-	-	-	-
Professional fees	43,334	9,164	81,843	30,155
Public company costs	28,919	16,046	36,145	43,279
Stock compensation expense	123,060	-	188,743	-
Travel and related costs	1,715	4,040	8,294	4,333
	<u>\$ 229,945</u>	<u>\$ 62,735</u>	<u>\$ 383,018</u>	<u>\$ 140,884</u>
<b>LOSS BEFORE THE FOLLOWING</b>	<b>\$ (229,945)</b>	<b>\$ (62,735)</b>	<b>\$ (383,018)</b>	<b>\$ (140,884)</b>
<b>INTEREST INCOME</b>	<u>419</u>	<u>-</u>	<u>470</u>	<u>-</u>
<b>LOSS BEFORE INCOME TAXES</b>	<b>\$ (229,527)</b>	<b>\$ (62,735)</b>	<b>\$ (382,548)</b>	<b>\$ (140,884)</b>
Future income tax provision - recovery	<u>11,410</u>	<u>18,900</u>	<u>58,010</u>	<u>42,700</u>
<b>NET LOSS FOR THE PERIOD</b>	<b>\$ (218,117)</b>	<b>\$ (43,835)</b>	<b>\$ (324,538)</b>	<b>\$ (98,184)</b>
<b>DEFICIT, BEGINNING OF PERIOD</b>	<u>(660,050)</u>	<u>(394,556)</u>	<u>(553,629)</u>	<u>(340,207)</u>
<b>DEFICIT, END OF PERIOD</b>	<u><u>\$ (878,167)</u></u>	<u><u>\$ (438,391)</u></u>	<u><u>\$ (878,167)</u></u>	<u><u>\$ (438,391)</u></u>
 <b>LOSS PER BASIC SHARE</b>	 <u><u>\$ (0.00)</u></u>	 <u><u>\$ (0.00)</u></u>	 <u><u>\$ (0.01)</u></u>	 <u><u>\$ (0.00)</u></u>

**TROYMET EXPLORATION CORP.**  
**STATEMENT OF CASH FLOWS**

	Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended
	April 30 2010	April 30 2009	April 30 2010	April 30 2009
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Net loss	\$ (218,117)	\$ (43,835)	\$ (324,538)	\$ (98,184)
Items not affecting cash				
Recovery of income taxes - future	(11,410)	(18,900)	(58,010)	(42,700)
Stock based compensation	<u>123,060</u>	<u>-</u>	<u>188,743</u>	<u>-</u>
	<u>(106,467)</u>	<u>(62,735)</u>	<u>(193,805)</u>	<u>(140,884)</u>
<b>CHANGES IN NON-CASH WORKING CAPITAL</b>				
Decrease (increase) in accounts receivable	(8,947)	(1,282)	(13,825)	57,477
Decrease in exploration advances	-	-	-	6,264
Decrease (increase) in prepaid expenses	558	(752)	(2,995)	(6,621)
(Decrease) increase in accounts payable and accrued liabilities	<u>19,453</u>	<u>(140,185)</u>	<u>(247,554)</u>	<u>9,405</u>
	<u>11,064</u>	<u>(142,219)</u>	<u>(264,374)</u>	<u>66,525</u>
	<u>(95,403)</u>	<u>(204,955)</u>	<u>(458,179)</u>	<u>(74,359)</u>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>				
Increase in short term investments	(250,081)	-	(64,949)	-
Investment in mineral properties	<u>(71,614)</u>	<u>(5,268)</u>	<u>(105,098)</u>	<u>(130,791)</u>
	<u>(321,695)</u>	<u>(5,268)</u>	<u>(170,047)</u>	<u>(130,791)</u>
<b>FINANCING ACTIVITIES</b>				
Issuance of common shares	<u>-</u>	<u>-</u>	<u>720,000</u>	<u>262,500</u>
<b>NET INCREASE IN CASH</b>	<b>(417,098)</b>	<b>(210,223)</b>	<b>91,774</b>	<b>57,350</b>
<b>CASH, BEGINNING OF PERIOD</b>	<u><b>493,359</b></u>	<u><b>279,345</b></u>	<u><b>(15,513)</b></u>	<u><b>11,772</b></u>
<b>CASH, END OF PERIOD</b>	<u><u><b>\$ 76,261</b></u></u>	<u><u><b>\$ 69,122</b></u></u>	<u><u><b>\$ 76,261</b></u></u>	<u><u><b>\$ 69,122</b></u></u>
<b>Supplemental cash flow disclosure</b>				
Interest paid	\$ -	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -	\$ -

**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**1. INCORPORATION AND NATURE OF OPERATIONS**

Troymet Exploration Corp. (the "Company") was incorporated under the Business Corporations Act (Alberta) on June 4, 2007. A Plan of Arrangement between the Company, Signet Minerals Inc., and Cash Minerals Ltd. was completed on August 7, 2007. The Company was listed on the TSX Venture Exchange on September 20, 2007.

The Company is in the process of exploring and evaluating its mineral properties. On the basis of the information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the mineral properties and related deferred costs is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as mineral properties and deferred exploration costs represent net costs to date, less any amounts written off, and do not necessarily represent present or future values.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

The interim financial statements should be read in conjunction with the Company's audited financial statements and accompanying notes as at October 31, 2009.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Measurement Uncertainty**

The preparation of the interim financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. By nature, asset valuations are subjective and do not necessarily result in precise determinations.

**Mineral Property**

Costs relating to the acquisition, exploration and development of mineral properties are capitalized on an area of interest basis. These expenditures will be charged against income, through a unit-of-production basis depletion, when properties are developed to the commercial production stage. Where the Company's exploration commitments for an area of interest are performed under option agreements with a third party, the proceeds of any option payments under such agreements are applied to the area of interest to the extent costs are incurred. If an area of interest is abandoned or management determines that there is a permanent and significant decline in value, the related costs are charged to operations.

**Income Taxes**

The Company follows the liability method of accounting for income taxes. Under this method, income tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the amounts reported in the financial statements and their respective tax bases, using substantially enacted income tax rates. The effect of a change in income tax rates on future income tax liabilities and assets is recognized in earnings in the period that the change occurs.

**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**Flow-Through Common Shares**

Capital includes flow-through shares issued pursuant to certain provisions of the Income Tax Act (the “Act”). Under the Act, where proceeds are used for eligible expenditures, the related income tax deductions may be renounced to subscribers. The future income tax liabilities are increased and share capital is decreased by the renounced tax deductions when the expenditures are renounced provided there is reasonable assurance that the expenditures will be made.

**Financial Instruments**

The fair market value of cash, short term investments, accounts receivable, accounts payable and accrued liabilities approximate their carrying values. Management does not believe that the Company is exposed to significant interest, currency or credit risks.

**Reclamation Costs**

The Company's activities are primarily focused on exploration directed toward the discovery of mineral resources. When it is determined that a future reclamation cost is likely, and the amount can reasonably be estimated, then the costs thereof will be accrued.

**Earnings (loss) per Share**

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. For the years presented the dilutive effect has not been computed as it proved to be anti-dilutive.

Basic earnings per share are calculated using the weighted-average number of common shares outstanding during the year.

**3. MINERAL PROPERTY**

**a) Wheatcroft Lake**

The Company owns a 100% interest in the Wheatcroft Lake project in Manitoba.

**b) McClarty Lake**

Pursuant to an option agreement between the Company and Hudson Bay Exploration and Development Company Limited (“HBED”), dated February 15, 2000 and amended on September 28, 2000, August 31, 2001, August 31, 2005, and June 28, 2007, the Company has an option to acquire a 60% interest in a mineral property located in Manitoba. As consideration, the Company agreed to make option payments totaling \$125,000. To date, \$125,000 has been paid to HBED and no further option payments are required.

**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**3. MINERAL PROPERTY - continued**

As outlined in the option agreement, the Company must incur total expenditures of \$800,000 on or before August 15, 2008. Following exercise of the option HBED may buy back a 20% interest by spending \$750,000 on exploration and development over a three year period. If HBED does not elect to buy back a 20% interest its interest will convert to a 2% net smelter royalty, half of which may be purchased by the Company at any time for \$500,000.

The Company has fulfilled the expenditure requirements and completed the earn-in requirements of the option agreement. Pursuant to the option agreement, HBED has elected to earn back a 20% interest in the McClarty claims.

**c) Golden Eagle**

Pursuant to an option agreement dated September 24, 2001 the Company may acquire a 100% interest in the Golden Eagle property located in British Columbia. As consideration, the Company agreed to make option payments totaling \$500,000. To date, \$500,000 has been paid and no further option payments are required

In addition, the Company has granted the optionor a 1% net smelter royalty.

**d) Key Property**

The Company owns a 100% interest in the Key property located in British Columbia. Under terms of the option agreement, there is also an underlying 3% net smelter royalty, 2% of which may be bought for \$1,000,000 in cash or stock at any time.

At April 30, 2010, expenditures incurred on mineral property are as follows:

	<b>Wheatcroft Lake</b>	<b>McClarty Lake</b>	<b>Golden Eagle</b>	<b>Key</b>	<b>Total</b>
Balance, October 31, 2009	\$5,078	\$1,189,803	\$2,223,138	\$103,883	\$3,521,902
Additions during the period					
Acquisition Costs	-	-	-	-	-
Exploration	-	62,326	41,297	1,475	105,098
Total Additions	-	62,326	41,297	1,475	105,098
Refundable Tax Credit	-	-	-	-	-
Balance, April 30, 2010	\$5,078	\$1,252,129	\$2,264,435	\$105,358	\$3,627,000

**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**4. CAPITAL STOCK**

**a) Authorized:**

Unlimited number of Common Shares without nominal or par value  
 Unlimited number of Preferred Shares

The Preferred Shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

**b) Issued:**

	<u># of Common Shares</u>	<u>\$ Amount</u>
Outstanding, October 31, 2009	50,393,114	\$ 3,591,614
Common shares issued for debt	3,600,000	180,000
Warrant exercise	800,000	40,000
Common shares issued for cash	10,424,000	500,000
Outstanding, April 30, 2010	<u>65,217,114</u>	<u>\$ 4,311,614</u>

**c) Per Share Data**

Basic earnings per share are calculated based on the weighted average number of 54,219,534 shares outstanding during the year. The effect of the exercise of stock options and warrants would be anti-dilutive for the purposes of calculating the fully diluted earnings per share.

**d) Stock Options**

The Company has a Stock Option Plan where the Company may grant options to its directors, officers, key employees and consultants for up to 10% of the outstanding common shares of the Company. The Company has issued stock options to acquire common shares as follows:

	Options Outstanding	Weighted Average Exercise Price	Expiry Date
Balance at October 31, 2009	2,675,000	\$ 0.10	2012 to 2014
Granted on January 11, 2010	1,000,000	0.10	2015
Granted on January 11, 2010	<u>1,700,000</u>	<u>0.12</u>	2015
Balance at April 30, 2010	<u>5,375,000</u>	<u>\$ 0.11</u>	



**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**4. CAPITAL STOCK - continued**

The fair value of common share options granted in the period was estimated to be \$188,743 as at the date of grant using the Black Scholes options pricing model and the following assumptions:

Risk free interest rate (%)	3.00
Expected life (years)	5.00
Expected volatility (%)	112.0
Expected dividend yield (%)	0.00

This amount was recognized as stock based compensation expense and contributed capital in the period ended April 30, 2010.

**e) Share Purchase Warrants**

The following table presents information with respect to share purchase warrants issued and outstanding as at April 30, 2010:

	Warrants @ \$0.15 (1)	Warrants @ \$0.20 (2)	Warrants @ \$0.05 (3)	Warrants @ \$0.10 (4)	Agent Options (5)	Total
Outstanding, October 31, 2009	2,500,000	16,250,000	1,300,000	-	-	20,050,000
Issued in Period	-	-	-	10,000,000	424,000	10,424,000
Exercised in Period	-	-	(800,000)	-	-	(800,000)
Expired, unexercised	-	-	-	-	-	-
Outstanding, April 30, 2010	2,500,000	16,250,000	500,000	10,000,000	424,000	29,674,000

- (1) Comprised of 2,500,000 share purchase warrants issued in conjunction with a brokered private placement that was completed by the Company on August 30, 2007. Entitles the holders, at their election, to acquire 2,500,000 common shares of the Company; expire on August 29, 2010.
- (2) Comprised of 16,250,000 share purchase warrants issued in conjunction with a non-brokered private placement that was completed by the Company on July 8, 2008. Entitles the holders, at their election, to acquire 16,250,000 common shares of the Company; expire on July 8, 2010.
- (3) Comprised of 1,300,000 share purchase warrants issued in conjunction with a non-brokered private placement that was completed by the Company on December 31, 2008 and January 16, 2009. Entitles the holders, at their election to acquire 1,300,000 shares of the Company at \$0.05 per share for the first year after closing and at \$0.10 per share for the second year after closing of the financing; 700,000 share purchase warrants expire on December 31, 2010 and 600,000 share purchase warrants expire on January 16, 2011. During the period, 800,000 warrants were exercised generating proceeds of \$40,000.
- (4) Comprised of 10,000,000 share purchase warrants issued in conjunction with a non-brokered private placement that was completed by the Company on January 21, 2010. Entitles the holders at their election, to acquire 10,000,000 common shares of the Company; expire on January 21, 2012.

**TROYMET EXPLORATION CORP.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**4. CAPITAL STOCK – continued**

- (5) Comprised of 424,000 finders options issued in conjunction with a non-brokered private placement completed by the Company on January 21, 2010. Entitles the holder, at their election, to acquire 424,000 regular common shares of the Company at \$0.05 per share; expire on January 21, 2012.

**5. RELATED PARTY TRANSACTIONS**

The Company has accrued fees of \$16,400 (2009 - \$24,600) and paid fees of \$32,800 (2009 – NIL) to companies in which Directors held an interest for management, administrative, accounting and technical services. These amounts are included in general and administration expenses and/or accrued liabilities.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

This Management Discussion and Analysis (“MD&A”) for the quarter ended April 30, 2010 was prepared with information available up to June 25, 2010 and should be read in conjunction with the Company’s audited financial statements and the accompanying notes for the year ended October 31, 2009 and the interim financial statements and the accompanying notes for the quarter ended April 30, 2010.

The financial statements referenced above are stated in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”).

This Management Discussion and Analysis has been reviewed and approved by Dr. Kieran Downes, P.Geo., President and Chief Executive Officer of Troymet Exploration Corp. and a Qualified Person as defined by National Instrument 43-101, under whose direction the Company’s exploration program is being carried out.

### **Company Overview**

Troymet Exploration Corp. (the "Company") was incorporated under the Business Corporations Act (Alberta) on June 4, 2007. A Plan of Arrangement between the Company, Signet Minerals Inc. (“Signet”), and Cash Minerals Ltd. (“Cash Minerals”) was completed on August 7, 2007 and the Company became a reporting issuer at that time. The Company was listed on the TSX Venture Exchange on September 20, 2007. The trading symbol is “TYE”.

The Company is involved in gold, and base metal exploration. Troymet’s corporate strategy is to acquire interests in projects that have the potential to host large, high grade gold, and base metal deposits. Currently, all of the Company’s projects are located in Manitoba and British Columbia.

As of the date of this MD&A, Troymet has not earned any production revenue, nor found any resources on any of its properties. The Company is a reporting issuer in British Columbia and Alberta.

### **Forward-Looking Statements**

This MDA may contain “forward-looking information” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “proposed”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. This forward-looking information reflects the Company’s current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to, the actual results of exploration projects being equivalent to or better than estimated results in technical reports or prior exploration results, future costs and expenses being based on historical costs and expenses, adjusted for inflation, and the ability of the Company to obtain necessary financing. Forward-looking information is subject to known and unknown risks,

uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the early stage development of the Company and its projects; general business, economic, competitive, political and social uncertainties; commodity prices; the actual results of current exploration and development or operational activities; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

### **Critical Accounting Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By nature, asset valuations are subjective and do not necessarily result in precise determinations.

### **Exploration Projects**

Troymet currently holds four mineral projects in its property portfolio. Tracy Hurley, P.Geo., Vice-President Exploration is the qualified person under NI 43-101 who has reviewed the technical disclosure provided below.

### **Golden Eagle Project – Gold and Silver**

The 8,178-hectare Golden Eagle project is located just south of the Yukon-British Columbia border, 70 kilometres west-northwest of Atlin, BC. The Company controls a 100% interest in the project. A portion of the claims are subject to a 1% NSR.

Golden Eagle is situated at the southern end of the Tintina Gold Belt, which contains many intrusion-related gold deposits such as Pogo (Alaska), Fort Knox (Alaska), Dublin Gulch (Yukon) and the recent discovery at Underworld Resources' White Gold property near Dawson City (Yukon). The property has the potential to host several deposit types, including bulk tonnage intrusion-related deposits with associated skarn deposits, high-grade gold-silver vein-hosted deposits and volcanogenic massive sulphide (VMS) deposits. Thirteen separate mineralized zones have been identified to date over the property's 25-km long extent.

From 2005 to 2008, exploration was primarily focused on the Middle Ridge (Tannis zone) area, where high-grade gold-silver mineralization is hosted in pyrite- and arsenopyrite-bearing quartz veins/structures within rhyolitic intrusive, granitic intrusive and to a lesser extent in flanking

metavolcanics. The mineralized system has been demonstrated by drilling to continue along a strike length of nearly 150 metres and to greater than 200 metres down dip in both the rhyolitic and granitic intrusions (February 24, 2009 news release). The presence of granitic intrusive at depth indicates a composite, volatile-rich intrusive system in this locale, which to-date has only been tested by shallow drilling.

In 2009, the Company focused attention on the north block of the Golden Eagle project ("North prospect"), where numerous zones of structurally controlled gold-silver-arsenic-antimony mineralization (e.g. Plateau, Skarn, West Gully, Cowboy, and West Draw zones) and gold-in-soil anomalies occur over an area of ~5 x 5 kilometres. The mineralization is related to two major structures, the Ben Fault and the Paddy Fault, and to the underlying granite-related gold system. Both faults both are possible splays of the Llewellyn fault zone, a regionally significant structure that cuts through the project area and has a strong correlation with the majority of mineral occurrences in the region.

A stream sediment sampling program conducted over the North prospect in 2009 identified nine new anomalous areas over a wide areal extent, suggesting large source areas on the Troymet claims (December 21, 2009 news release). The Company also completed a five hole (506-metre) reconnaissance diamond drilling program that tested four previously un-drilled and widely-spaced targets located in the West Gully, LQ, and Stibnite zones (February 17, 2010 news release).

The first and only hole drilled on the West Gully zone intersected 0.11 g/t gold over 86.84 metres in variably sheared, silicified and chlorite-sericite altered felsic intrusive. The hole was shut down in anomalous gold mineralization (0.33 g/t gold over 15.24 metres). It is apparent that there is a large, untested gold-bearing structure(s) in this area.

Three holes drilled ~1,300 metres apart intersected silver-gold mineralization within broader structural zones carrying low to anomalous gold values. No felsic intrusive was intersected in these shallow holes, indicating the target gold zones lie deeper in the system.

The results of the 2009 reconnaissance stream sediment and diamond drilling program continue to augment the hypothesis of a widespread mineralizing event on the property. No work was conducted on the project during the three month period ended April 30, 2010. Planning is in progress for a 2010 program to follow up on the multiple new targets generated.

Further information on the Golden Eagle Project is available in a NI 43-101 technical report entitled "Report on the 2006 Mineral Expenditure Program on the Golden Eagle Property, Atlin Area, Northwestern British Columbia" by Scott Casselman, B.Sc., P.Geo., dated October 2, 2007 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **McClarty Lake Project - Copper, Zinc and Gold**

The 596-hectare McClarty Lake property is located 47 kilometres south-southwest of Snow Lake, Manitoba. Troymet owns 100% of three claims (344 hectares) staked in 2000. In June 2008, Troymet completed its earn in for a 60% working interest in two claims (252 hectares) under an option agreement with Hudson Bay Exploration and Development Limited ("HudBay"), owned subsidiary of Hudbay Minerals Inc. HudBay subsequently provided notification that it intends to earn back a 20% interest in the McClarty Lake claims, requiring

HudBay to make exploration expenditures of \$750,000 over a three year period. Following earn-in, the two claims will be held in a joint venture between HudBay (60%) and Troymet (40%).

The property is favourably situated within the Flin Flon – Snow Lake greenstone belt, one of the largest Proterozoic volcanic-hosted massive sulphide (VMS) districts in the world. Twenty-seven copper-zinc-(gold) deposits within the belt have produced more than 183 million tonnes of sulphide ore. The sulphide mineralization and associated alteration system at McClarty Lake is very similar to that associated with HudBay's Chisel Lake and Lalor Lake volcanogenic massive sulphide deposits of the Snow Lake area.

Early exploration on the property was hampered by lack of outcrop exposure and overlying Paleozoic-aged sediment cover. An electromagnetic (EM) conductor detected in 1996 was tested by two diamond drill holes in 1997 (HudBay) and two holes in 2000 by Troymet's predecessor company. All four holes intersected a gold- and silver-bearing semi-massive pyrite horizon in altered felsic volcanics, reporting a best intersection of 4.17 g/t gold and 8.48 g/t silver over 4.0 metres. A deep penetrating Time Domain EM (TEM) survey undertaken in 2002 subsequently defined a potential massive sulphide horizon(s) over a strike length of ~600 metres. Plans to test the conductor were shelved in 2004 and 2005 due to lack of drill availability, and in 2006 by poor ice conditions.

Diamond drilling in 2007 and 2008 successfully identified two laterally continuous zones of massive sulphides within a sequence of variably altered felsic volcanics and volcanoclastics. The upper pyritic zone, discovered in 1997, is locally gold enriched and traced in drill holes over a 300-metre strike length and to 250 metres vertical depth. In 2007, a second massive sulphide horizon was intersected 150 metres stratigraphically below the pyritic horizon. Known as the Discovery zone, it is also locally gold enriched and returned 1.47% zinc and 0.31% copper over 43.05 metres, including 3.46% zinc over 15.3 metres (May 15, 2008 news release). The mineralization is shallow, with the Discovery zone starting at the base of the Palaeozoic sequence at a vertical depth of ~50 metres. It has been traced in drill holes over a 75-metre strike length and to a depth of 175 metres. Both zones are open along strike and at depth.

A helicopter-borne VTEM survey flown in 2008 outlined a strong conductor corresponding to the upper pyritic horizon over a 450-m strike length. The Discovery zone, however, is not spatially related to interpreted conductors from any of the prior EM surveys. The zone may be non conductive, or alternatively, any conductive response from the zone may be hidden within the signature of a larger conductor. The 2008 VTEM survey also identified a second strong conductive trend of ~100 metres strike length and situated ~100 metres east of the Discovery zone. This conductor has not been tested by drilling and is considered a priority target in the next drilling program. In addition to the VTEM survey, several drill holes from the 2008 program were surveyed by borehole EM geophysics. At least two off-hole anomalies were reported that have not been tested by drilling to date.

HudBay indicated its intent to earn an additional 20% interest in the option claims by conducting a 2010 winter drilling program on the Discovery zone and other untested targets. Unseasonably warm weather conditions in February-March 2010 affected lake ice conditions in the region, which prevented HudBay from conducting its program.

On its 100% owned claims, Troymet also planned a 2010 winter drill program to evaluate the Mac EM conductor, which lies on-trend and ~1000 metres northeast of the Discovery zone. The Mac conductor was identified by the 2008 VTEM helicopter-borne survey and there is no record of prior drilling in this area.

Troymet's winter program commenced in January 2010 with the establishment of a 10.6 km grid on the 100% owned MAC 3 claim. This was followed up by a pulse electromagnetic (PEM) survey that identified a strong conductive response on the southwest edge of the grid. The Company's geophysical contractor, Crone Geophysics of Mississauga, Ontario (Crone), recommended a 400-metre x 1000-metre extension of the grid and survey coverage. The grid extension and additional survey was completed in the first week of March 2010. Interpretation of the results by Crone verified a strong bedrock conductor(s) and follow-up drilling was recommended.

Troymet secured a drilling contractor for the program; however, due to the warm spring conditions in Manitoba, the Province implemented an early spring road restriction order effective March 18, 2010. The order effectively banned heavy loads on specific roads, which prohibited the mobilization of drilling equipment by Troymet's primary drilling contractor. The Company was unable to secure another drill in the local vicinity where mobilization would not have been affected by the road restriction. The window of opportunity for accessing the property by winter road was closed by the end of March.

Troymet's 100% owned claims are strategically placed and the Company is very optimistic regarding the potential for additional significant VMS discoveries in this area. The Discovery zone is a greenfield discovery which was not detected or recognized by many airborne EM surveys. Troymet believes that the Mac conductor, which is on-trend with the Discovery zone, offers the potential for immediate and significant new discoveries on 100% owned Troymet ground. A drilling program on the Mac conductor will commence in winter 2011 as soon as conditions permit.

Further information on the McClarty Lake project is available in a NI 43-101 technical report entitled "2008 Technical (NI 43-101) Report on the McClarty Lake Property", by Rory Kutluoglu, B.Sc. (Equity Engineering Ltd.) and qualified person, Alan H. Bailes, Ph.D., P.Geo. (Bailes Geoscience), dated June 11, 2008 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **Key Project – Copper, Zinc and Gold**

Troymet has a 100% interest in the 7,882-hectare Key property located 125 kilometres southwest of Vanderhoof, British Columbia. There is an underlying 3% NSR, 2% of which may be bought for \$1,000,000 in cash or stock at any time.

Exploration on the Key project is targeting precious metals-rich volcanic massive sulphide (VMS) deposits and epithermal gold-silver deposits. The property straddles an apparent graben developed in a volcano-sedimentary sequence and covers an area with anomalous lake sediment geochemistry and locally anomalous gold-lead-arsenic-silver-zinc in soils. The anomalous metal suite and geological setting is characteristic of the gold- and silver-rich Eskay Creek deposit in northwest British Columbia.

A helicopter-borne VTEM survey completed over the central portion of the Key property in August 2008 resulted in the identification of four priority geophysical targets in the form of discrete higher conductance electromagnetic (EM) anomalies. Three of the anomalies are considered targets for VMS mineralization.

The VTEM survey also clearly delineated major north-trending fault systems which may be associated with gold-silver mineralization currently being explored by Richfield Ventures Corp. (“Richfield”) on its Blackwater property, some 2.5 km to the north. The 3T’s project (Silver Quest Resources) to the southwest is described as a bonanza-style, epithermal gold-silver camp.

Richfield, in its September 25, 2009 news release, describes the mineralization on the Blackwater property as a bulk gold deposit with demonstrated continuity over hundreds of metres at potentially mineable grades. The gold mineralization is hosted in highly siliceous and argillically altered breccia and microbreccia derived from felsic volcanic or subvolcanic rocks. Richfield estimates the brecciated rocks which host the gold mineralization may cover an area of up to 45 hectares and are generally between 100 to 200 metres thick.

Multiple N- and NNW- trending faults have been mapped in the project area by the British Columbia Geological Survey (BCGS), together with a similar sequence of rock types to that occurring on the adjacent Blackwater property. The structural interpretation of the geophysical data generally supports the mapping of the BCGS. The Company believes a number of major structures continue from the Key project onto the Blackwater project.

Exploration crews mobilized to the Key property in mid-May 2010 to commence reconnaissance prospecting and sampling of several target areas:

- Approximately 800 metres west of Good News Lake, soil sampling identified strong multi-element, multi-station soil geochemical anomalies for gold, lead, arsenic, silver and zinc in the vicinity of a quartz eye rhyolite.
- Four priority EM targets that potentially represent structurally-controlled sulphide-alteration zones. Two of the targets lie at the projected head of a 400-600 metre wide band of copper-zinc-lead-arsenic soil anomalies trending southwesterly from Tsacha Mountain where samples of sphalerite-bearing mineralization have returned high zinc values.
- South of Good News Lake, five rock samples from a 200 x 300 metre area of alteration returned anomalous gold values possibly associated with porphyry style mineralization.

Previous exploration of the property did not explore for gold. The objective of the current phase of the exploration program is to assess the prospectiveness of the major structures on the property and to help identify additional drill targets.

Initial results from the field program are encouraging. Major structural features outlined by the VTEM survey have been located and sampled where exposed. The four EM targets have been prospected, with alteration and sulphides found in the area of anomaly P1A, while the other three EM targets are not exposed. Historic showings on the property have also been located and appear to be structurally controlled. As well, preliminary investigation of a broad geochemical trend of anomalous zinc, copper, lead, arsenic and silver values through the central part of the property also points toward a relation to major northerly-trending structures.

Magnetite veins, garnet and potassic feldspar and epidote alteration occur in the area of a buried intrusive, interpreted from geophysics, in the southeast corner of the VTEM survey area. The alteration may be indicative of alkali porphyry-style gold-copper mineralization. A second intrusion identified by the VTEM survey will also be explored for gold and/or copper mineralization.



The regional scale of the structures that acted as plumbing systems for the introduction of alteration and sulphide mineralization is impressive. Outcrop exposure on the property is limited; however, ground geophysical surveys such as induced polarization can be used to map sulphides along the structures. As well, many areas are amenable to geochemical sampling.

A large area of this greenfield property remains to be explored. The early discovery of structurally-controlled sulphide mineralization associated with regional structures, however, is a significant development, as is the recognition of two intrusives which may have associated gold and/or copper mineralization.

Analytical results of the current field program will be released once received and compiled.

### **Wheatcroft Lake Project – Gold**

Troymet holds 100% interest the 256-hectare Wheatcroft Lake property located 50 kilometres southwest of Leaf Rapids, Manitoba. The property hosts a large, low-grade gold mineralized system of ~2 kilometres lineal extent. Previous diamond drilling on the fold nose intersected widespread low-grade gold mineralization. Large areas of the horizon remain to be drill tested.

No work was conducted on the property during the three month period ended April 30, 2010. Troymet is seeking a partner to further advance the project.

### **Selected Annual Information**

Year Ended	Year Ended October 31, 2009	Year Ended October 31, 2008
Operating Expenses	\$285,654	\$323,642
Other Income Interest	\$5,116	\$17,558
Net Loss Per Share - Basic	(\$213,422) (\$0.01)	(\$170,831) (\$0.01)
Capital Expenditures	\$305,866	\$1,934,333
Total Assets	\$3,744,514	\$3,406,387
Total Liabilities	\$569,339	\$250,682

## Results of Operations

In the quarter ended April 30, 2010, Troymet realized a net loss of \$218,100 versus \$43,800 in 2009. This is net of operating expenses of \$229,900 (\$62,700 in 2009) for the period, minimal interest income (NIL in 2009), and a provision for income tax recovery of \$11,400 (\$18,900 in 2009).

The operating expenses in the second quarter of 2010 included management fees of \$28,000 (\$26,600 in 2009), general and administration expenses of \$4,900 (\$6,900 in 2009), professional fees of \$43,300 (\$9,200 in 2009), travel and related costs of \$1,700 (\$4,000 in 2009) and public company costs of about \$28,900 versus \$16,000 in 2009. Operating expenses for the second quarter also includes a non-cash charge of \$123,100 (NIL in 2009) related to stock compensation expenses. The general and administration expenses at April 30, 2010 include insurance premiums of \$2,700 (\$2,000 in 2009), and office costs of \$2,200 (\$3,900 in 2009).

Professional fees were higher in the quarter ended April 30, 2010 versus the previous year due to consulting costs of \$12,000 versus NIL in 2009. Public company costs increased to \$28,900 from \$16,000 in 2009 due to increased promotion costs.

In the six months ended April 30, 2010, Troymet realized a net loss of \$324,500 versus \$98,200 in 2009. This is net of operating expenses of \$383,000 (\$140,900 in 2009) for the period, interest income of \$500 versus NIL in 2009, and a provision for income tax recovery of \$58,000 (\$42,700 in 2009). Operating expenses for the six months ended April 30, 2010 include a non-cash charge of \$188,700 (NIL in 2009) related to stock compensation expenses.

The operating expenses in the six months ended 2010 included management fees of \$57,200 (\$51,200 in 2009), general and administration expenses of \$10,700 (\$11,900 in 2009), professional fees of \$81,800 (\$30,200 in 2009), travel and related costs of \$8,300 (\$4,300 in 2009) and public company costs of about \$35,700 versus \$43,300 in 2009. The general and administration expenses include bank service charges of \$170 (\$140 in 2009), insurance premiums of \$5,400 (\$4,600 in 2009), and office costs of \$5,200 (\$7,200 in 2009).

Professional fees were higher in the six months ended April 30, 2010 versus April 30, 2009 due to \$45,000 in consulting costs incurred by the Company in fiscal 2010. Public company costs of \$35,700 in 2010 were comprised of payments made to the Company's investor relations advisor and promotion costs.

During the quarter ended April 30, 2010, Troymet incurred net capital expenditures of \$71,600 versus \$5,300 the previous year. Total capital expenditures for the six months ended April 30, 2010 were \$105,100 versus \$130,800 the previous year. A majority of the capital expenditures in fiscal 2010 were incurred on the McClarty Lake property.

## Capital Expenditures

	<b>Wheatcroft Lake</b>	<b>McClarty Lake</b>	<b>Golden Eagle</b>	<b>Key</b>	<b>Total</b>
Balance, October 31, 2009	\$5,078	\$1,189,803	\$2,223,138	\$103,883	\$3,521,902
Additions during the period					
Acquisition Costs	-	-	-	-	-
Exploration	-	62,326	41,297	1,475	105,098
Total Additions	-	62,326	41,297	1,475	105,098
Refundable Tax Credit	-	-	-	-	-
Balance, April 30, 2010	\$5,078	\$1,252,129	\$2,264,435	\$105,358	\$3,627,000

As shown in the balance sheet dated April 30, 2010, the Company's mineral property balance was \$3,627,000. The Company incurred \$105,100 of exploration expenditures during the period with a majority of the expenditures occurring on the McClarty Lake property.

## Liquidity and Capital Resources

The Company's practice is to proceed with staged exploration where each stage is dependent on successful results of the preceding stage. Troymet relies on proceeds of equity financings to fund its exploration commitments and discharge its liabilities as they come due. As of April 30, 2010, the Company had working capital of approximately \$172,100.

As described below, the Company completed a private placement in the first quarter of fiscal 2010 to raise an additional \$500,000 and issued 3,600,000 common shares in payment of the \$180,000 Golden Eagle option payment that was due on October 1, 2009. These equity issuances improved the Company's working capital situation.

Total net capital expenditures of approximately \$105,100 during the period ended April 30, 2010 was funded by the private placement completed in January 2010. As the equity market and outlook for minerals and precious metals has improved from the previous year and additional capital was raised in January 2010, management anticipates that exploration programs will be conducted at the Key property. Drilling on the McClarty Lake property has been postponed until winter 2011.

Results from its exploration programs and / or additional mineral property acquisitions may result in additional financial requirements. If needed, Troymet will be required to raise additional financing. However, there is no assurance that funding will be available on terms acceptable to the Company or at all. If such funds cannot be secured, the Company may be forced to curtail additional exploration and / or property acquisition efforts.

## Share Information

On October 23, 2009, the Company announced that the Golden Eagle option agreement had been amended and that the optionor had agreed to accept payment of the last option payment in common shares of Troymet. In this regard, the Company issued the optionor 3,600,000 common shares at a deemed price of \$0.05 per share on November 14, 2009. This shares-for-debt transaction reduced the Company's accounts payable by \$180,000.

A total of 800,000 warrants were exercised on December 31, 2009 and January 13, 2010 at a price of \$0.05 per share generating proceeds of \$40,000 for the Company.

On January 11, 2010, the Company announced that it had granted 2.7 million options to directors, officers, and consultants. Of this option grant, 1.0 million options were granted to consultants at an exercise price of \$0.10 per share. These options expire two years from the date of the grant and vest as to 25% of the options on the date of issuance and 25% on each of the 6, 12, and 18 month anniversaries of the date of the grant (fully vested 18 months from the date of issuance). The remaining 1.7 million options were issued fully vested to directors and officers at an exercise price of \$0.12 per share with an expiry date five years from the date of issuance.

Also in the first quarter, on January 22, 2010, the Company completed a non-brokered private placement raising total proceeds of \$500,000 by issuing 10,000,000 Units at a price of \$0.05 per per Unit. Each Unit consisted of one common share and one full common share purchase warrant exercisable into one common share for two years from the date of issuance at a price of \$0.10 per share. In addition, a finder's fee of \$21,200 was paid to a finder by the issuance of 424,000 common shares of Troymet. In addition, 424,000 finder's warrants were issued with each finder's warrant being exercisable into one common share at a price of \$0.05 per common share for a period of two years from the date of issuance.

The fully diluted number of common shares at the date of this MDA was 100,266,113 shares including 65,217,113 common shares issued and outstanding, 5,375,000 options, and 29,674,000 share purchase warrants.

A summary of the Company's outstanding securities is provided in the table below:

Period Ended	30-Apr 2010	31-Jan 2010	31-Oct 2009	31-Oct 2008	31-Oct 2007
Beginning Shares Outstanding (Basic)	<b>65,217,113</b>	50,393,113	39,893,113	23,612,943	0
Shares issued pursuant to Plan of Arrangement	<b>0</b>	0	0	0	10,279,610
Exercise of warrants / agent options	<b>0</b>	800,000	0	30,170	0
Common shares issued for debt	<b>0</b>	3,600,000	0	0	0
Common shares issued for cash	<b>0</b>	10,424,000	1,300,000	16,250,000	5,000,000
Flow-through shares issued for cash	<b>0</b>	0	9,200,000	0	8,333,333
Closing Shares Outstanding (Basic)	<b>65,217,113</b>	65,217,113	50,393,113	39,893,113	23,612,943
Beginning Share Purchase Warrants / Agent Options	<b>29,674,000</b>	20,050,000	19,619,983	4,481,783	0
Plan of Arrangement Warrants / Agent Options	<b>0</b>	0	0	0	1,111,800
Share Purchase Warrants / Agent Options Expired	<b>0</b>	0	(869,983)	(1,081,630)	0
Share Purchase Warrants / Agent Options Exercised	<b>0</b>	(800,000)	0	(30,170)	0
Share Purchase Warrants / Agent Options Issued	<b>0</b>	10,424,000	1,300,000	16,250,000	3,369,983
Closing Share Purchase Warrants	<b>29,674,000</b>	29,674,000	20,050,000	19,619,983	4,481,783
Beginning Stock Options	<b>5,375,000</b>	2,675,000	2,450,000	2,250,000	0
Stock Options Granted	<b>0</b>	2,700,000	225,000	200,000	2,250,000
Stock Options Exercised	<b>0</b>	0	0	0	0
Closing Stock Options	<b>5,375,000</b>	5,375,000	2,675,000	2,450,000	2,250,000
Total Shares - Fully Diluted	<b>100,266,113</b>	100,266,113	73,118,114	61,963,096	30,344,726
Weighted Average Shares Outstanding	<b>54,219,534</b>	53,627,228	48,640,784	28,789,266	15,815,551

## Summary of Quarterly Results

A summary of quarterly results for the current and previous seven quarters is provided in the table below.

	<b>QII</b> <b>30-Apr-10</b>	<b>QI</b> <b>31-Jan-10</b>	<b>QIV</b> 31-Oct-09	<b>QIII</b> 31-Jul-09
<b>Operations</b>				
<b>Revenues</b>	<b>\$0</b>	<b>\$0</b>	\$0	\$0
<b>Net Loss</b>	<b>(\$324,538)</b>	<b>(\$106,421)</b>	(\$85,398)	(\$29,840)
<b>Per Share - Basic</b>	<b>(\$0.01)</b>	<b>\$0.00</b>	\$0.00	\$0.00
<b>Balance Sheet</b>				
<b>Working Capital</b>	<b>\$172,147</b>	<b>\$350,225</b>	(\$248,949)	\$174,594
<b>Total Assets</b>	<b>\$4,007,642</b>	<b>\$4,094,658</b>	\$3,744,514	\$3,518,436
<b>Capital Expenditures</b>	<b>\$71,614</b>	<b>\$33,487</b>	\$354,722	\$353

	<b>QII</b> 30-Apr-09	<b>QI</b> 31-Jan-09	<b>QIV</b> 31-Oct-08	<b>QIII</b> 31-Jul-08
<b>Operations</b>				
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Net Loss</b>	(\$43,835)	(\$54,349)	(\$46,440)	(\$47,709)
<b>Per Share - Basic</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>Balance Sheet</b>				
<b>Working Capital</b>	\$217,890	\$285,891	\$227,063	\$1,384,029
<b>Total Assets</b>	\$3,537,409	\$3,740,328	\$3,406,386	\$3,446,963
<b>Capital Expenditures</b>	\$5,268	\$125,523	\$1,031,983	\$60,382

## Transactions with Related Parties

The Company has accrued fees of \$16,400 (2009 - \$24,600) and paid fees of \$32,800 (2009 – NIL) to companies in which Directors held an interest for management, administrative, accounting and technical services. These amounts are included in general and administration expenses and/or accrued liabilities.

## Risks and Uncertainties

Troymet competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral properties, claims, and other interests, as well as for the recruitment and retention of qualified personnel.

All of the properties in which Troymet has an interest, or the right to acquire an interest, are in the early exploration stage and are without a known body of commercial ore. Development of Troymet's mineral properties will only follow upon obtaining satisfactory exploration results. Exploration for and the development of mineral resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that Troymet's exploration and development activities will result in any discoveries of commercial bodies of ore.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in government regulations has the potential to reduce the profitability of operations.

Aboriginal peoples have claimed aboriginal title and rights to resources and various properties in western Canada. Such claims, in relation to Troymet's lands, if successful, could have an adverse effect on Troymet or its respective operations.

Troymet will require additional financing to continue its business plan and there is no assurance that financing will be available or, if available, will be on reasonable terms. To the extent that financing is not available, Troymet may have to reduce exploration activities and work commitments may not be satisfied resulting in a loss of property ownership by Troymet.

### **Investor Relations Activities**

On August 1, 2008, the Company engaged Senergy Communications Inc. ("Senergy") to provide investor relations services. Vancouver-based Senergy provides investor relations and marketing services to public companies in the natural resource sectors. Senergy will assist Troymet in fostering productive, continuing dialogues with analysts, brokers, potential investors, current shareholders and other financial professionals.

An initial six (6) month consulting agreement with Senergy was signed. This agreement, which has an option to renew at terms mutually agreeable to each party, initially required the Company to pay Senergy \$7,500 per month for investor relations services, \$1,000 per month for a dedicated surrogate office and related administrative services, and to reimburse Senergy for all pre-approved expenses.

In addition, Senergy was granted 125,000 incentive stock options exercisable at \$0.15 per share and Shiro Rae, an employee of Senergy, has been granted 75,000 options. The options shall be exercisable as to 1/4 of the grant every three months from the date of grant. Senergy and Shiro Rae currently own no shares of Troymet. Anthony Zelen, owner of Senergy, directly and indirectly owns 325,000 common shares of Troymet.

In recognition of the current market conditions, the six month contract with Senergy was renegotiated on December 1, 2008 and the monthly fee reduced to \$2,500 per month from \$8,500 per month. The dollar amount of the contract was not increased. As part of the re-negotiated contract, Senergy was tasked with assisting the Company in raising money.

## **Outlook**

At Golden Eagle, positive results from the 2009 stream sediment and diamond drilling program continue to augment the hypothesis of a widespread mineralizing event on the property. Numerous new drill targets have been identified for the 2010 season.

At McClarty Lake, unseasonably warm spring conditions prevented both HudBay and Troymet from conducting their respective drilling programs on the Discovery zone and the MAC conductor. Both target areas offer the potential for immediate and significant new discoveries. Drilling is now scheduled for winter 2011, as soon as conditions permit.

The Key project is strategically located adjacent to recent exploration success at Richfield Ventures' Blackwater project and Silver Quest's 3T's bonanza-style, epithermal gold-silver camp. Initial results of a 2010 prospecting and sampling program are very encouraging for this greenfield area, that offers the potential for both precious metals and VMS discoveries. A follow-up diamond drilling program is planned for the 2010 season.

## **Other**

Additional information relating to Troymet's business and activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).



# TROYMET EXPLORATION CORP.

## CORPORATE INFORMATION

### **Directors**

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Nanaimo, British Columbia

Richard T. Kusmirski, M.Sc., P.Geo.  
Saskatoon, Saskatchewan

Ronald H. McMillan, Ph.D., P.Eng.  
Victoria, British Columbia

David Billard, B.Sc., P.Geo.  
Saskatoon, Saskatchewan

Brian D. Cebryk, CMA  
Courtenay, British Columbia

### **Management**

Kieran M. J. Downes, Ph.D., P. Eng.  
President & CEO

Brian D. Cebryk, CMA  
Chief Financial Officer

Tracy Hurley, M.Sc., P.Geo.  
VP Exploration

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### **Auditors**

Deloitte & Touche LLP  
Saskatoon, Saskatchewan

### **Bank**

Scotiabank

### **Legal Counsel**

Davis LLP  
Calgary, Alberta

### **Transfer Agent**

Computershare Trust Company of Canada

### **Share Listing**

TSX Venture Exchange  
Symbol: "TYE"