



**GOLD  
ROAD  
RESOURCES**

**ABN 13 109 289 527**

**NOTICE OF ANNUAL GENERAL MEETING**

**&**

**EXPLANATORY STATEMENT**

**To be held**

At 2.00pm (Perth time), Friday, 17 November 2017

**at**

The Celtic Club  
48 Ord Street, West Perth WA 6005

**Gold Road has gone green**

**You can vote by proxy online at: [www.securitytransfer.com.au](http://www.securitytransfer.com.au)**

**GOLD ROAD RESOURCES LIMITED**

ABN 13 109 289 527

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Gold Road Resources Limited will be convened at 2.00pm (Perth time) on Friday, 17 November 2017 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

**AGENDA**

**Ordinary Business**

**1. Discussion of Financial Statements and Reports**

To discuss the Financial Statements, the Directors' Report and Independent Auditor's Report for the financial year ended 30 June 2017.

**2. Resolution 1 – Adoption of the Remuneration Report**

To adopt the Remuneration Report for the financial year ended 30 June 2017.

**3. Resolution 2 – Election of Director – Mr Brian Levet**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of clause 11.3(a) of the Company's Constitution and for all other purposes, Mr Brian Levet (who was appointed as a Director of the Company by the Board on 1 August 2017) be confirmed as a Director of the Company."*

**4. Resolution 3 – Re-election of Director – Mr Justin Osborne**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of clause 11.7(b) of the Company's Constitution and for all other purposes, Mr Justin Osborne retires by rotation, and being eligible, is re-elected as a Director of the Company."*

**Special Business**

**5. Resolution 4 – Approval of Employee Incentive Plan**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes, the Employee Incentive Plan is approved for a period of three years from the date of this Meeting."*

**6. Resolution 5 – Grant of Performance Rights to Mr Ian Murray – CY2017 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 272,181 Performance Rights under the Company's Employee Incentive Plan to Mr Ian Murray on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**7. Resolution 6 – Grant of Performance Rights to Mr Ian Murray – 2020 LTI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 728,028 Performance Rights under the Company's Employee Incentive Plan to Mr Ian Murray on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**8. Resolution 7 – Grant of Performance Rights to Mr Justin Osborne – CY2017 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 140,962 Performance Rights under the Company's Employee Incentive Plan to Mr Justin Osborne on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**9. Resolution 8 – Grant of Performance Rights to Mr Justin Osborne – 2020 LTI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 374,826 Performance Rights under the Company's Employee Incentive Plan to Mr Justin Osborne on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**10. Resolution 9 – Change in aggregate Non-executive Director Remuneration**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.17 and Clauses 11.9(a)(ii) and 11.9(c) of the Company's Constitution and for all other purposes, the maximum aggregate amount payable to Non-executive Directors of the Company be increased by \$200,000, from \$500,000 per annum to \$700,000 per annum."*

## VOTING PROHIBITION AND VOTING EXCLUSION STATEMENTS

### Resolution 1 – Adoption of the Remuneration Report

#### Voting Prohibition Statement:

In accordance with the Corporations Act, a vote on Resolution 1 (Adoption of the Remuneration Report) must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chairman of the Meeting and the appointment of the Chairman as proxy:
  - (i) does not specify the way the proxy is to vote on Resolution 1; and
  - (ii) expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### Resolution 4 – Approval of Employee Incentive Plan

#### Voting Prohibition Statement:

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolution 4 on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related Party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolution 4 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolution 4; or
- (b) the proxy is the Chairman, who may vote in favour of Resolution 4 in accordance with an express authorisation on the Proxy Form.

In addition, a vote on Resolution 4 must not be cast (in any capacity) by or on behalf of a Director and an associate of a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company or any associate of such Director). However, this prohibition does not apply if:

- (a) the vote is cast by a person as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 4; and
- (b) the vote is not cast on behalf of a Director who is eligible to participate in any employee incentive scheme of the Company, or any associate or related party of that Director.

#### Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 4 by or on behalf of a Director and an associate of a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company or any associate of such Director), as required by ASX Listing Rule 10.14.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## Resolutions 5 to 8 - Grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne

### Voting Prohibition Statement:

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolutions 5 to 8 on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related Party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolutions 5 to 8 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolutions 5 to 8; or
- (b) the proxy is the Chairman, who may vote in favour of Resolutions 5 to 8 in accordance with an express authorisation on the Proxy Form.

In addition, a vote on Resolutions 5 to 8 must not be cast (in any capacity) by or on behalf of Mr Murray or Mr Osborne (in respect of their relevant Resolutions) or any of their associates. However, this prohibition does not apply if:

- (a) the vote is cast by a person as proxy and the proxy form specifies how the proxy is to vote on Resolutions 5 to 8; and
- (b) the vote is not cast on behalf of Mr Murray or Mr Osborne (as appropriate), their associates or any related party of them.

### Voting Exclusion Statement:

The Company will disregard any votes cast on Resolutions 5 to 8 by or on behalf of a Director and an associate of a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company or any associate of such Director), as required by ASX Listing Rule 10.14.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## Resolution 9 - Change in aggregate Non-executive Director Remuneration

### Voting Prohibition Statement:

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolution 9, on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolution 9 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolution 9; or
- (b) the proxy is the Chairman, who may vote in favour of Resolution 9 in accordance with an express authorisation on the Proxy Form.

### Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 9 by or on behalf of a Director and an associate of a Director, as required by ASX Listing Rule 10.17.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## **VOTING AT THE ANNUAL GENERAL MEETING**

### **Voting Entitlements**

The Company's Shareholders recorded on the Company's register of members at 10.00am (Perth time) on, Friday, 13 October 2017 (**Notice Record Date**) will be entitled to receive this Notice of Meeting.

The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations, that Shareholders entitled to vote at the Meeting will be the registered holders of Shares (**Registered Shareholders**) at 5.00pm (Perth time) on Wednesday, 15 November 2017 (**Voting Record Date**).

Shareholders who become Registered Shareholders by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact the Company for further information and to request a Proxy Form.

Shareholders who become beneficial Shareholders (**Beneficial Shareholders**) of Shares by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact their broker or intermediary for instructions on how to do so.

### **How to vote:**

You may vote by attending the Meeting in person, by proxy, or by appointing an authorised representative.

### ***Voting in Person***

To vote in person, attend the Meeting on the date and at the place set out above. If possible, Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's share register and note attendance.

### ***Voting by Proxy***

#### ***Appointment of Proxy***

Shareholders who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting and to vote on their behalf. The proxy does not need to be a Shareholder.

A Shareholder that is entitled to cast two or more votes may appoint two proxies and should specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

#### ***Voting by proxy***

A Shareholder can direct its proxy to vote for, against or abstain from voting on each resolution by marking the appropriate box in the Voting directions to your proxy section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the Chairman is to act as your proxy in relation to Resolution 1 (Adoption of the Remuneration Report), Resolution 4 (Approval of Employee Incentive Plan), Resolutions 5 to 8 (Approval of the grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne) or Resolution 9 (Change in Non-executive Director Remuneration), and you have not given directions on how to vote by completing the appropriate box in the voting directions to your proxy section of the Proxy Form, the Proxy Form expressly directs and authorises the Chairman to cast your votes "for" the relevant resolution. This express authorisation is included because without it the Chairman would be precluded from casting your votes as these resolutions are connected with the remuneration of Key Management Personnel.

The Chairman will vote all undirected proxies in respect of Resolutions 1 to 9 in favour of the relevant resolution.

If you are in any doubt as to how to vote, you should consult your professional adviser.

**Deadline**

Proxy Forms must be received by 2.00pm (Perth Time) on Wednesday, 15 November 2017.

**How to lodge Proxy Forms**

You can lodge your Proxy Forms with the Company:

**Electronically:** [www.securitytransfer.com.au](http://www.securitytransfer.com.au)  
Email: registrar@securitytransfer.com.au  
Mail or delivery to: Security Transfer Australia Pty Ltd  
770 Canning Highway  
Applecross WA 6153 Australia  
Facsimile: +61 8 9315 2233

Further details on how to lodge your Proxy Form can be found on the Proxy Form.

If you have any questions about your Proxy Form please contact Security Transfer Australia Pty Ltd by telephone at +61 8 9315 2333 or the Company Secretary, by telephone at +61 8 9200 1600.

**Appointment of corporate representatives**

Any corporate Shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- a letter or certificate executed in accordance with the Corporations Act authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- a copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

The appointment of a corporate representative must be received by the Company, or the Company's share registrar, Security Transfer Australia Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting. Certificates of appointment of corporate representatives are available at [www.securitytransfer.com.au](http://www.securitytransfer.com.au) or on request by calling +61 8 9315 2333.

**Beneficial Shareholders**

If you are a Beneficial Shareholder and have received these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or other intermediary.

**Key Dates**

Event	Date
Deadline for lodgement of Proxy Forms	2.00pm (Perth time) on Wednesday, 15 November 2017
Determination of voting eligibility	5.00pm (Perth time) on Wednesday, 15 November 2017
Annual General Meeting	2.00pm (Perth time) on Friday, 17 November 2017

**Enquiries**

Shareholders are invited to contact the Company Secretary by telephone on +61 8 9200 1600 if they have any queries in respect of the matters set out in these documents.

**BY ORDER OF THE BOARD**

Hayden Bartrop  
Joint Company Secretary

Dated this 13<sup>th</sup> day of October 2017

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

This Explanatory Statement and all attachments are important documents. They should be read carefully. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company Secretary on +61 8 9200 1600, or consult your stockbroker or other professional adviser.

**GENERAL INFORMATION**

This Explanatory Statement has been prepared for the Shareholders in connection with the Annual General Meeting of the Company to be held on Friday, 17 November 2017.

The purpose of this Explanatory Statement is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the resolutions detailed in the Notice of Meeting.

**1. Discussion of Financial Statements and Reports**

The Company's Financial Statements, the Directors' Declaration and the Independent Auditor's Report for the financial year ended 30 June 2017 (**Financial Reports**) are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The Company's auditor, KPMG, will be attending the Annual General Meeting and will be available to answer any questions relevant to the conduct of the audit and their report.

No vote will be taken on the Financial Reports. However, shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Financial Reports.

**2. Resolution 1: Adoption of Remuneration Report**

The Annual Report for the financial year ended 30 June 2017 contains the Remuneration Report which:

- explains the Board's policies in relation to the nature and level of remuneration paid to Key Management Personnel of the Company;
- sets out the remuneration details for each Key Management Personnel; and
- sets out the details of any Share based compensation for each Key Management Personnel.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report and in the Annual Reports section of the website at [www.goldroad.com.au](http://www.goldroad.com.au).

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chairman of the Meeting will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the Meeting.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a **spill resolution**) on whether the Board should be put up for re-election. If the spill resolution is passed, another meeting must be held within 90 days at which all of the Company's Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must go up for re-election.

At the Company's 2016 Annual General Meeting, less than 25% of the votes cast on the resolution to adopt the 2016 Remuneration Report were voted against the resolution. Accordingly, regardless of the voting on Resolution 1, no spill resolution is required to be held at this Annual General Meeting.

**Directors' Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 1.



**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**3. Resolution 2: Election of Director – Brian Levet**

**Background**

Mr Levet was appointed as a Director by the Board on 1 August 2017. In accordance with clause 11.3(a), Mr Levet seeks confirmation of his appointment as a Director at this Annual General Meeting.

Details of Mr Levet’s experience and qualifications are set out below.

*Qualifications:* Mr Levet holds a Bachelor of Science from the University of London

*Term of Office:* Director since 1 August 2017

*Independent:* Yes

*Skills and experience:* Mr Levet has over 40 years of diversified mineral industry experience having worked for Rio Tinto Rhodesia, Zimbabwe Iron and Steel Corporation and Newmont Mining Corporation in exploration, project start-up and operational roles. Prior to his retirement as an executive in 2011, Mr Levet was the Global Group Executive for Exploration of Newmont. Mr Levet is currently a Non-executive Director of EMX Royalty Corporation (TSX-V).

*Special responsibilities:* Chair of Remuneration & Nomination Committee and Member of Audit & Risk Committee

**Directors’ Recommendation**

The Board (excluding Mr Brian Levet) recommends that Shareholders vote in favour of the election of Mr Brian Levet as a Director.

**4. Resolution 3: Re-election of Director – Justin Osborne**

**Background**

In accordance with Clause 11.7(b) of the Company’s Constitution, Mr Justin Osborne retires by rotation, and being eligible, offers himself for re-election as a Director.

Details on Mr Justin Osborne’s experience and qualifications are set out below.

*Qualifications:* Mr Osborne is a Fellow of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Company Directors, and holds a Bachelor of Science, Honours (First Class) from La Trobe University of Victoria.

*Term of Office:* Director since 1 January 2015

*Independent:* No

*Skills and experience:* Mr Osborne has a wealth of exploration experience in multiple commodities including gold, copper and base metals. He has over 30 years of field and management experience covering all aspects of the mining and exploration process in Australia and internationally through senior positions held with Gold Fields Ltd and WMC Resources Ltd amongst others. Mr Osborne commenced with Gold Road in 2013 and played a pivotal role in the rapid and effective resource development of the world class Gruyere Deposit which is now in development.

**Directors’ Recommendation**

The Board (excluding Mr Justin Osborne) recommends that Shareholders vote in favour of the re-election of Mr Justin Osborne as a Director.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**5. Resolution 4: Approval of Employee Incentive Plan**

**5.1 Background**

The Gold Road Employee Incentive Plan was approved by Shareholders at the Annual General Meeting held on 19 October 2016 (**2016 Employee Incentive Plan**). The Board made some amendments to the 2016 Employee Incentive Plan on 12 September 2017. A summary of the key terms of the 2016 Employee Incentive Plan (as amended) (and referred to in this Notice of Meeting as the '**Employee Incentive Plan**') is set out in Appendix A to this Explanatory Statement.

The purpose of the Employee Incentive Plan is to put in place a mechanism allowing the Board, from time to time, to issue share Options and Performance Rights (together, **Incentives**) to eligible employees as an incentive or reward for achieving certain performance objectives. A key purpose of the amendments to the Employee Incentive Plan is to enable not only employees but also contractors and Non-executive Directors to participate in the Employee Incentive Plan. The Employee Incentive Plan provides the Company with another tool through which to attract, retain and reward key employees, contractors and Non-executive Directors and is considered a valuable tool to enhance their retention.

**5.2 Purpose and effect of approval**

**(a) Exclusion from 15% limit under ASX Listing Rule 7.1**

Under the Listing Rules, a company is not specifically required to seek shareholder approval for the Employee Incentive Plan. However, subject to the exceptions in Listing Rule 7.2, Listing Rule 7.1 prohibits a listed company from issuing or agreeing to issue equity securities (including shares, performance rights and options) equal to an amount of more than 15% of a company's ordinary capital in any 12 month period without shareholder approval.

Exception 9(b) of Listing Rule 7.2 permits securities issued under an employee incentive scheme such as the Employee Incentive Plan, to be excluded from the 15% limit where the Shareholders have approved the issue of securities under the employee incentive scheme within three years before the date they are issued.

Shareholder approval is therefore being sought for the issue of securities under the Employee Incentive Plan for the purposes of Exception 9(b) of Listing Rule 7.2.

If Resolution 4 is passed, all Incentives issued by the Company under the Employee Incentive Plan will be excluded from the 15% limit imposed by ASX Listing Rule 7.1 for a period of three years from the date of the approval (i.e. until 16 November 2020).

**(b) Incentives on termination excluded from termination benefits cap**

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) on cessation of their employment with the Company or its related bodies corporate (together, the **Group**). Under Section 200B of the Corporations Act, a company may only give a person a "benefit" (as defined in the Corporations Act) in connection with their ceasing to hold a managerial or executive office in the Group if it is approved by shareholders (in accordance with the requirements of Section 200E) or an exemption applies. A "benefit" includes automatic, or accelerated, vesting of share-based payments for a person on, or as a result of, retirement from office. Therefore, if the Board were to exercise its discretion under the rules of the Employee Incentive Plan and permit the early vesting of Incentives, this may crystallise a termination benefit for the purposes of the Corporations Act. Accordingly, Resolution 4 also seeks approval for the purpose of sections 200B and 200E, for any "termination benefit" that may be provided to a participant under the Employee Incentive Plan.

If Resolution 4 is passed, and the Board exercises its discretion to vest some or all of a participant's unvested Incentives when they leave employment with the Group, the value of the benefit will be disregarded when determining the relevant participant's cap for the purposes of calculating the permissible termination benefits payable under the Corporations Act.

As mentioned above, similar approval was granted by Shareholders at the Annual General Meeting in 2016.

**5.3 Details of the termination benefits**

Section 200E of the Corporations Act requires certain information to be provided to shareholders in approving a termination benefit. Whilst the value of the proposed termination benefits cannot currently be ascertained, the manner in which the value of the proposed termination benefit is calculated, and the matters, events and circumstances that will, or are likely to, affect the calculation of the value are outlined below.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

The Employee Incentive Plan provisions set out how unvested Incentives can be treated if an employee leaves the Company (in certain circumstances). For example, under the rules of the Employee Incentive Plan:

- where a participant resigns from their employment with the Company before their Incentives have vested, the Incentives will automatically lapse on the date of resignation. However, the Board may exercise its discretion to determine that some or all of the Incentives will vest, and the basis on which vesting will occur (which may include, without limitation, timing and conditions); or
- where a participant is made redundant or constructively dismissed by the Company, the Board may (in its absolute discretion) determine the number of unvested Incentives (if any) that will vest.
- As noted above, the exercise of these discretions may constitute a “benefit” for the purposes of the Corporation Act’s termination benefits provisions.

**5.4 Value of the termination benefits**

The value of the termination benefits that the Board may give under the Employee Incentive Plan cannot be determined in advance. This is because various matters will, or are likely to, affect that value. Specifically, the value of a particular benefit will depend on factors such as the Company’s Share price at the time of vesting and the number of Incentives that the Board decides to vest.

Some of the other factors that may affect the value of a particular participant’s termination benefits are as follows:

- the participant’s length of service and the portion of any relevant performance periods that have expired at the time they leave employment;
- the participant’s total fixed remuneration at the time grants are made under the Employee Incentive Plan and at the time they leave employment; and
- the number of unvested Incentives that the participant holds at the time they leave employment.

**5.5 Previous Issues**

No Incentives have been issued under the Employee Incentive Plan.

As at 15 September 2017, the number of securities issued under the 2016 Employee Incentive Plan since it was approved at the 2016 Annual General Meeting are:

Type	Number
Share Options	Nil
Performance Rights	2,151,385 of which 272,235 have expired or been cancelled and 306,038 have vested and converted to Shares.

**Note:** Performance Rights have no exercise price, however certain Executive Director Performance Rights do have vesting conditions linked to Company and market related performance hurdles.

**5.6 Effect if Shareholder approval for Resolution 4 is not obtained**

In the absence of Shareholder approval for Resolution 4:

- (a) Incentives can still be issued under the 2016 Employee Incentive Plan (i.e. the employee incentive plan as approved by Shareholders at the Annual General Meeting on 19 October 2016, without the amendments approved by the Board on 12 September 2017), and the issue of those Incentives will not be counted as part of the 15% limit under Listing Rule 7.1 until 18 October 2019. This is because the approval of the 2016 Employee Incentive Plan granted at the 2016 Annual General Meeting is effective until 18 October 2019; and
- (b) Incentives can be issued under the Employee Incentive Plan (i.e. the employee incentive plan approved at the Annual General Meeting on 19 October 2016, with the amendments approved by the Board on 12 September 2017) but the issue of those Incentives will be counted as part of the 15% limit under Listing Rule 7.1.

At the 2016 Annual General Meeting, Shareholders approved the grant of an aggregate maximum of 1,096,925 Performance Rights to Mr Ian Murray (or his nominee) and 565,573 Performance Rights to Mr Justin Osborne (or his nominee) pursuant to the 2016 Employee Incentive Plan. That approval will remain effective until 18 October 2019.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**5.7 Directors' Recommendation**

The Board (excluding the Executive Directors who decline to make a recommendation based on their interest in the outcome of Resolution 4) recommends that Shareholders vote in favour of the approval of the Employee Incentive Plan.

**6. Resolutions 5 to 8: Grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne**

**6.1 Background**

Mr Ian Murray is the Managing Director and Chief Executive Officer of the Company. Mr Justin Osborne is an Executive Director of the Company.

The Board is seeking Shareholder approval to grant Performance Rights to Messrs Murray and Osborne (or their nominees), in accordance with the terms and conditions of the Employee Incentive Plan.

Approval of the Employee Incentive Plan is sought under Resolution 4. The key terms and conditions of the Employee Incentive Plan are summarised in Appendix A and will apply to the Performance Rights that are proposed to be issued.

Each Performance Right represents a right to be issued a Share at a future point in time subject to the satisfaction of any conditions relating to vesting, performance hurdles and/or exercise.

**Background to the 2020 Long Term Incentive (LTI) program (Resolutions 6 and 8)**

Resolutions 6 and 8 seek Shareholder approval pursuant to Listing Rule 10.14 to grant up to:

- (a) 728,028 Performance Rights to Mr Ian Murray (or his nominee); and
  - (b) 374,826 Performance Rights to Mr Justin Osborne (or his nominee),
- (together, the **LTI Performance Rights**).

The Board has granted the LTI Performance Rights as part of Messrs Murray and Osborne's respective long term incentive portions of their remuneration packages. Eligibility to receive the LTI Performance Rights is dependent upon achieving future Company hurdles, which have been developed in support of the Company's strategic plan, and Shareholder Return hurdles.

The Company's remuneration policy for long term incentives is included in the 2017 Annual Report. The Company's remuneration policy is to ensure executive remuneration is competitive in retaining and motivating key executives. The granting of these LTI Performance Rights, which may only vest in three years' time, will provide a long term incentive for continued outstanding performance and the opportunity for share ownership.

The proposed grant of LTI Performance Rights seeks to further align their interests with those of Shareholders by linking their remuneration with the long term performance of the Company.

The key vesting condition is that Messrs Murray and Osborne must remain employed up and until the applicable test date of 31 December 2020, being a three year measurement period (**Measurement Period**).

The Performance Rights are also subject to two separate performance hurdles:

- (a) 50% of the Performance Rights will vest and convert into Shares over the Measurement Period based on the Company's Total Shareholder Return (**TSR**) compared to a nominated peer group over that same period (**Shareholder Return Hurdle**) as follows:
  - (i) 50% of the Shareholder Return Hurdle will only be achieved if the Company TSR is 100% of the nominated equal weighted peer group index;
  - (ii) if the TSR is greater than 100% relative to the nominated peer group index, the LTI achievement will be 50% plus the percentage which is outperformed against the nominated peer group, up to a maximum of 100% of the Shareholder Return Hurdle.
- (b) 50% of the Performance Rights will vest on achieving internal corporate hurdles to be met by 31 December 2020 (**Company Hurdle**). The corporate hurdles weighted equally, are as follows:
  - 1. the identification of at least 1 million ounces of contained gold, including:

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

- (i) a maiden resource declared of at least 1 million ounces of contained gold or a subsequent resource upgrade confirming greater than 1 million ounces of contained gold; and
  - (ii) a Concept Study or Scoping Study completed confirming a reasonable economic return; and
2. Only if the first hurdle is achieved:
- (i) a Pre-Feasibility Study with a maiden reserve declared, which achieves economic measures set by the Board;
  - (ii) Project team identified and being engaged; and
  - (iii) Necessary Native Title agreement in place.

The calculation framework used to determine the LTI Performance Rights to be granted is set out in Appendix B. This Appendix also sets out the value of the Performance Rights as at the date of grant. As detailed in Appendix A, Incentives granted under the Employee Incentive Plan may vest (subject to Board's absolute discretion) in the event of a change in control of the Company.

**Background to the CY2017 STI program (Resolutions 5 and 7)**

By Resolutions 5 and 7, the Company seeks Shareholder approval pursuant to Listing Rule 10.14 to grant up to a maximum of:

- (a) 272,181 Performance Rights to Mr Ian Murray (or his nominee); and
  - (b) 140,962 Performance Rights to Mr Justin Osborne (or his nominee),
- (together, the **2017 STI Performance Rights**).

The 2017 STI Plan is based on the following set percentage of base salary, with performance assessed against a mix of personal and corporate objectives over the one year period to 31 December 2017 (**STI Measurement Period**):

	<b>Ian Murray Managing Director and Chief Executive Officer</b>	<b>Justin Osborne Executive Director</b>
<i>STI as a percentage of base salary</i>	65%	42.5%
<i>Aligned to corporate KPI</i>	90%	90%
<i>Aligned to personal performance KPI</i>	10%	10%

The 2017 STI performance measures broadly include:

- Safety: Year on year improvement on safety targets. However, no 2017 STI is payable in the event of a fatality
- Discovery: a new discovery greater than 600,000 ounces JORC compliant Resource
- Reserve Growth: achieving threshold reserve growth, which for CY2017 is set at 10%
- Business Growth or Development: achieving Board set growth targets
- Gruyere Joint Venture: establish long-term strategic plan with joint venture partner and continued professional, mutually respectful relationship
- Native title and external stakeholder relations: continued professional relationship and compliance with agreements
- Personal KPIs: assessing Health, Safety and Environment performance, and contribution and demonstrated behaviours aligned to Gold Road's Values.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

For CY2017, if the Executive Directors achieve 100% of their Corporate and Personal KPIs, they could earn the following STI amounts:

Name	Target STI	50% Cash component	No. of Performance Rights <sup>1</sup>
Ian Murray	\$328,250	\$164,125	272,181
Justin Osborne	\$170,000	\$85,000	140,962

1 The number of CY2017 STI Performance Rights to be granted is determined by dividing the 50% of the target STI earned by 60.3 cents, being the higher of the Company's 30 day VWAP for the period to 1 January 2017 and the most recent capital raising price prior to 1 January 2017 (being the May 2016 share placement and entitlement issue at 44 cents).

### **6.2 Effect on the Company**

The grant of the LTI Performance Rights and the 2017 STI Performance Rights (together, the **Executive Director Performance Rights**) to Messrs Murray and Osborne will have a diluting effect on the percentage interest of existing Shareholders' holdings. For instance, assuming all Executive Director Performance Rights are exercised, the Company's issued Shares would increase by 1,515,997 Shares to a total issued capital of 874,131,785 Shares<sup>1</sup> representing 0.17% of the then issued Shares in the Company.

There are no significant opportunity costs to the Company or benefits foregone by the Company in granting the Executive Director Performance Rights. No loan is provided by the Company to allow for exercise.

Australian International Financial Reporting Standards require the Executive Director Performance Rights to be expensed in accordance with *AASB 2 – Share Based Payments*. The Executive Director Performance Rights are expected to be expensed over the vesting period in which they are granted. Expensing the Executive Director Performance Rights will have the effect of increasing both the expenses and the contributed equity of the Company. There will be no impact on the net assets or the cash position or financial resources of the Company as a result of expensing the Executive Director Performance Rights.

There are no material tax implications for the Company in granting these Performance Rights.

### **6.3 Requirement for Shareholder approval**

Approval for the grant of the Executive Director Performance Rights is sought for the purposes of ASX Listing Rule 10.14 and for all other purposes. Listing Rule 10.14 provides that the Company must not issue equity securities (including Performance Rights) under an employee incentive scheme to a Director of the Company without Shareholder approval.

Chapter 2E of the Corporations Act also requires shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members of the director's family. It also includes an entity over which a director maintains control. Directors such as Messrs Murray and Osborne are considered to be related parties within the meaning of the Corporations Act, and the Executive Director Performance Rights will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

An exception to the requirement to obtain shareholder approval in accordance with Chapter 2E applies where the financial benefit constitutes part of the related party's "reasonable remuneration". The Board (other than Messrs Murray and Osborne who were not able to make a recommendation due to their interests in the grant of Executive Director Performance Rights) considers that the grant of the Executive Director Performance Rights to Messrs Murray and Osborne, and any issue of Shares upon the exercise of those Executive Director Performance Rights, constitutes part of the reasonable remuneration of Messrs Murray and Osborne respectively. In reaching this conclusion, the Board has had regard to a variety of factors including market practice and the remuneration offered to persons in comparable positions at comparable companies

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<sup>1</sup> As at 15 September 2017, the issued capital of the Company comprised 874,131,785 ordinary fully paid Shares, 3,500,000 unlisted share Options with various expiry dates and exercise prices and 3,475,194 Performance Rights with various expiry dates.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

Approval under Listing Rule 7.1 is not required in order to grant the Executive Director Performance Rights to Messrs Murray and Osborne, as approval is being obtained under Listing Rule 10.14. The grant of Executive Director Performance Rights (and Shares upon vesting of the Executive Director Performance Rights) to Messrs Murray and Osborne will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's ordinary securities, under Listing Rule 7.1.

**6.4 Key terms of the Performance Rights**

For the purposes of Listing Rule 10.15, and for all other purposes, the following additional information is provided to Shareholders in respect of the proposed grant of Executive Director Performance Rights.

**Maximum number of securities to be issued** The maximum number of Executive Director Performance Rights that may be granted under the Employee Incentive Plan is as follows:

- Mr Ian Murray (or his nominee): up to 1,000,209; and
- Mr Justin Osborne (or his nominee): up to 515,788.

**Terms of grant** The Executive Director Performance Rights will be granted in accordance with the terms of the Employee Incentive Plan (the terms of which are summarised in Appendix A to this Explanatory Statement). These include specific terms that relates to the treatment of those rights on cessation of employment, on a change of control in the Company and the adjustment of the terms in certain prescribed circumstances.

**Issue price** No consideration is payable at the time of grant of the Executive Director Performance Rights or for the issues or transfer of Shares upon vesting of the Executive Director Performance Rights.

**Previous grants under the Employee Incentive Plan** **Employee Incentive Plan**  
No grants have been made to any Directors under the Employee Incentive Plan (the subject of this Notice of Meeting).

**2016 Employee Incentive Plan**

Shareholders approved the 2016 Employee Incentive Plan at the Annual General Meeting on 19 October 2016.

Pursuant to the 2016 Employee Incentive Plan:

- Mr Murray has been granted 1,096,925 Performance Rights vesting on various dates subject to performance hurdles, with 88,789 vested and 180,268 cancelled after grant under the FY2017 STI Plan; and
- Mr Osborne has been granted 565,573 Performance Rights vesting on various dates subject to performance hurdles, with 47,377 vested and 91,967 cancelled after grant under the FY2017 STI Plan.

No consideration was payable for the grant of the Performance Rights under the 2016 Employee Incentive Plan and no other person listed under Listing Rule 10.14 has received Incentives under the 2016 Employee Incentive Plan.

**Persons entitled to participate in the Employee Incentive Plan** Messrs Murray and Osborne are the only people referred to in Listing Rule 10.14 eligible to participate in the Employee Incentive Plan. Any additional people referred to in Listing Rule 10.14 who become entitled to participate in the Employee Incentive Plan will not do so until any Shareholder approval required under Listing Rule 10.14 is obtained.

**Vesting** Subject to the Board's discretion, if the Performance Hurdles attached to the Executive Director Performance Rights are satisfied, the Performance Rights will vest and may be exercised by the holder into Shares.

Details of the Performance Hurdles attached to the Executive Director Performance Rights are outlined above.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

<b>Ranking of Shares</b>	Shares allocated to Messrs Murray and Osborne upon exercise of the Executive Director Performance Rights will rank equally with other Shares on issue.
<b>No funds raised</b>	No funds are raised through the grant of the Executive Director Performance Rights or on the exercise and conversion of the Executive Director Performance Rights to Shares.
<b>Loans</b>	No loans have or will be made by the Company in connection with the Executive Director Performance Rights proposed to be granted to Messrs Murray or Osborne.
<b>Date of grant of Performance Rights</b>	The Executive Director Performance Rights will be granted no later than 12 months after the date of the Meeting.

**6.5 Remuneration and securities held**

The following securities are held by Messrs Murray and Osborne (or their nominees) as at 15 September 2017:

<b>Director</b>	<b>Securities Held</b>	<b>Exercise price/ Hurdle</b>	<b>Expiry date</b>
Mr Murray	1,125,000 Performance Rights <sup>2</sup>		31 December 2019
	827,868 Performance Rights <sup>3</sup>		30 June 2020
	13,754,613 Ordinary Fully Paid Shares <sup>1</sup>		
Mr Osborne	1,000,000 share Options	13 cents	14 October 2017 fully vested
	1,000,000 share Options	13 cents	14 October 2017 fully vested
	1,000,000 share Options	13 cents	14 October 2017 fully vested
	397,727 Performance Rights <sup>2</sup>		31 December 2019
	426,229 Performance Rights <sup>3</sup>		30 June 2020
	2,067,023 Ordinary Fully Paid Shares <sup>4</sup>		

**Notes:**

- 1 Held indirectly by Troyleigh Investments Pty Ltd atf Ian and Karen Trust, and the Murray Superannuation Fund.
- 2 Granted under the 2018 LTI Program and vesting on 31 December 2018 subject to meeting Company and Shareholder hurdles.
- 3 Granted under the 2019 LTI program and vesting on 30 June 2019 subject to meeting Company and Shareholder hurdles.
- 4 284,175 held direct and 1,782,848 indirect, with 1,357,501 held by Finnoz Pty Ltd and 425,347 by Janet Tunjic Pty Ltd.

Details of the nature and amount of each major element of the remuneration of Messrs Murray and Osborne for the year ended 30 June 2017 are set out below:

	<b>Salary</b>	<b>Superannuation Contributions</b>	<b>Cash Benefits (STI)</b>	<b>Performance Rights (STI)</b>	<b>Share Options and Performance Rights</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Mr Murray	505,000	19,616	111,604	140,153	334,416	1,110,789
Mr Osborne	400,000	19,616	58,650	73,365	148,367	699,998

**6.6 Directors' recommendation**

For the reasons set out above, the Non-executive Directors recommend that Shareholders vote in favour of Resolutions 5 to 8. The Executive Directors (being Messrs Murray and Osborne) decline to make a recommendation to Shareholders in relation to Resolutions 5 to 8 given their respective interests in the outcome of those resolutions.

**7. Resolution 9 – Change to aggregate Non-executive Directors' Fees**

**7.1 Background**

Resolution 9 has been proposed so that Shareholders can consider, and if thought fit, approve an increase to the maximum aggregate remuneration which is available to the Company to secure the services of its Non-executive Directors. ASX Listing Rule 10.17 and clauses 11.9(a)(ii) and 11.9(c) of the Company's Constitution provide that the Company must first obtain Shareholder approval before it is able to increase the total fees payable by the Company or its subsidiaries to its Non-executive Directors.



**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

At present, the maximum aggregate amount of fees which can be paid to the Company's Non-executive Directors is capped at \$500,000. This cap was approved by Shareholders at the Company's Annual General Meeting in November 2015. The Company has grown significantly since then, and is likely to continue to grow as exploration on the Yamarna Belt yields results, as the Gruyere project moves through construction to operation, and as the Company grows beyond the Yamarna Belt.

The Directors are seeking Shareholder approval to increase the upper limit on aggregate Non-executive Director remuneration by \$200,000 for the following reasons:

- the Company's Non-executive Directors have extensive skills and experience in a range of relevant industries that are important to the Company's growth;
- the appointment of the Non-executive Directors significantly enhances the independence of the Board; and
- the Board considers it important that the Company maintains the ability to remunerate competitively and attract and retain high calibre Non-executive Directors and that there is allowance for growth in the number of Non-executive Directors and non-executive remuneration in the future to reflect market competitiveness for Non-executive Directors with the skills and experience appropriate for the Company's business and growth path towards production.
- If Resolution 9 is approved, the Directors do not intend utilising the entire maximum sum of \$700,000 in the first instance. By having an increase in the maximum amount that can be paid to Non-executive Directors, the Directors have the flexibility to seek new independent Non-executive Directors to the Board as and when appropriate or to increase fees payable to existing Directors in line with market changes. There is currently no proposal to increase the current level of individual Non-executive Director fees for CY2017. Non-executive Director fees will continue to be benchmarked on an annual basis.
- The remuneration currently provided to each Non-executive Director of the Company for the financial year ended 30 June 2017 is detailed in the Remuneration Report (being the subject of Resolution 1).

**7.2 Technical information required by Listing Rule 10.17**

If Shareholders approve the proposed resolution, the maximum aggregate sum which can be paid to Non-executive Directors of the Company will increase by \$200,000 per annum, resulting in an increase in the upper limit of remuneration that can be paid to the Company's Non-executive Directors from the current level of \$500,000 to a new level of \$700,000 in any financial year.

The following table sets out details of all securities in the Company issued to a Non-executive Director after obtaining Shareholder approval under Listing Rule 10.11 or 10.14 during the past 3 years.

<b>Non-executive Director</b>	<b>Type of security</b>	<b>Number</b>	<b>Listing Rule</b>	<b>Date of issue</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Tim Netscher	Share Options	500,000	10.11	21 November 2014	\$0.335	21 November 2016
Tim Netscher	Share Options	250,000	10.11	24 November 2015	\$0.560	24 November 2017
Russell Davis*	Share Options	250,000	10.11	24 November 2015	\$0.560	24 November 2017
Martin Pyle <sup>+</sup>	Share Options	250,000	10.11	24 November 2015	\$0.560	24 November 2017
Sharon Warburton	Nil					
Brian Levet	Nil					

\* Retired 30 June 2016. <sup>+</sup> Retired 30 June 2017.

A voting exclusion statement is included in the Notice of Annual General Meeting in respect of Resolution 9.

**7.3 Directors' Recommendation**

The Board (excluding Non-executive Directors Mr Tim Netscher, Ms Sharon Warburton and Mr Brian Levet who decline to make a recommendation based on their interest in the outcome of these Resolutions) recommends that Shareholders vote in favour of Resolution 9.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**GLOSSARY**

**2016 Employee Incentive Plan** means the Gold Road Employee Incentive Plan as approved by Shareholders at the Company's 2016 Annual General Meeting held on 19 October 2016.

**Annual General Meeting** or **Meeting** means the Annual General Meeting of Shareholders to be held at The Celtic Club on Friday, 17 November 2017 at 2.00pm (Perth time), or any adjournment thereof.

**ASX** means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of the ASX, from time to time and as modified by any express waiver given by ASX.

**Board** means the board of Directors.

**Chairman** means the person chairing the Meeting from time to time.

**Closely Related Party** of Key Management Personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member in the member's dealings with the Company;
- company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** or **Gold Road** means Gold Road Resources Limited ABN 13 109 289 527.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CY** means Calendar Year.

**Director** means a director of the Company.

**Employee Incentive Plan** means the 2016 Gold Road Employee Incentive Plan (as amended by the Board on 12 September 2017), approval of which is sought under Resolution 4 of this Notice of Meeting.

**Executive Director** means Mr Ian Murray or Mr Justin Osborne, and **Executive Directors** means both of them.

**Executive Director Performance Right** means the Performance Rights proposed to be granted to Mr Ian Murray and Mr Justin Osborne pursuant to Resolutions 5 to 8.

**Explanatory Statement** means this explanatory statement accompanying the Notice of Meeting.

**Financial Reports** has the meaning given in section 1 of this Explanatory Statement.

**FY** means Financial Year.

**Key Management Personnel** has the same meaning given in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Directors of the Company.

**Non-executive Director** means a non-executive Director of the Company.

**Notice of Meeting** means this notice of Annual General Meeting, including the Explanatory Statement.

**Option** means an option to acquire a Share.

**Performance Right** means a performance right issued in accordance with the Employee Incentive Plan, or where the context requires, the 2016 Employee Incentive Plan.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Spill Meeting** has the meaning given in section 2 of this Explanatory Statement.

**Spill Resolution** has the meaning given in section 2 of this Explanatory Statement.

**Total Shareholder Return** means the total before tax investment return achieved by a Shareholder over a defined period based on Share price movement over that period and the reinvestment of dividends, if any.

**VWAP** means volume weighted average price.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**Appendix A – Terms and Conditions of Employee Incentive Plan**

A summary of the key terms of the Employee Incentive Plan is set out in the table below:

<b>Eligibility</b>	Under the Employee Incentive Plan, the Board may determine which employees, directors or contractors of the Company and its related bodies corporate are eligible to participate. The Employee Incentive Plan is targeted at the Company's directors, senior management, employees and contractors. Any proposal to issue Performance Rights or share Options to Directors under the Incentive Plan would require prior Shareholder approval under the related party provisions of the ASX Listing Rules.
<b>Incentives</b>	The Employee Incentive Plan allows the Board to grant Performance Rights and share Options (each an Incentive) to eligible participants.
<b>Vesting conditions</b>	The vesting terms for grants of Incentives under the Employee Incentive Plan will be decided by the Board. Where appropriate, the Board may impose appropriate performance hurdles to encourage employees to focus on performance of the Company over the long term. The Board may waive vesting conditions. The Board considers that issuing share Options with a premium exercise price, and on such terms that the share Options lapse on the cessation of employment, will ensure that benefits will only be received by recipients who continue to be employed by the Company. In the Board's view terms of that nature have a like effect to a vesting condition. Upon satisfaction of the vesting conditions, the Company may issue a vesting notice. An incentive will vest when that vesting notice is given or deemed to have been given to the incentive holder.
<b>Number of Incentives to be granted</b>	The number of Incentives granted under the Employee Incentive Plan will be decided by the Board. The Board notes that Performance Rights involve less risk to an employee than share Options, as they do not require the employee to pay any amounts to the Company upon exercise. As a result, where the Board decides to grant Performance Rights, an employee will typically receive fewer Performance Rights when compared with the number of share Options they would have otherwise received under the Incentive Plan or any other employee incentive plan.
<b>Exercise Price</b>	Performance Rights do not require the employee to pay any amount to the Company upon vesting or exercise. The Board may grant share Options under the Employee Incentive Plan. If elected, the exercise price of any share Options granted under the Incentive Plan is at the absolute discretion of the Board and the Board will determine the exercise price from time to time. Typically, any share Options granted would have an exercise price calculated by reference to a VWAP of the Company's shares for a period prior to the date of grant.
<b>Takeover bid and change in control</b>	Subject to the Board's absolute discretion, Incentives granted under the Employee Incentive Plan may vest in the event of a change in control of the Company, including where a takeover bid is made for the Company and the bidder acquires more than 50% of the Company, Shareholders approve a scheme of arrangement, or in any other case where a person obtains voting power in the Company which the Board determines (acting in good faith and in accordance with their fiduciary duties) is sufficient to control the composition of the Board. The Board has absolute discretion to determine the manner in which any or all of the Incentives vest, including having regard to the performance of the Company against targets in the vesting conditions at that time, the period of time that has elapsed between the grant date and the date of the change of control event and the circumstances of the change of control event. The Board also has the discretion to permit the exercise of Incentives in other limited circumstances, such as where a resolution is passed approving the disposal of the Company's main undertaking.
<b>Transferability</b>	Incentives granted under the Employee Incentive Plan are generally not transferable. An incentive invitation may contain disposal restrictions for a specified period of time.
<b>Dividend and voting rights</b>	Incentives granted under the Employee Incentive Plan do not carry any dividend or voting rights.
<b>Adjustment for rights issues</b>	The exercise price of Incentives granted under the Employee Incentive Plan (which is only applicable for share Options granted under the Employee Incentive Plan, which have an exercise price) will be adjusted in the manner provided by the ASX Listing Rules in the event of the Company conducting a rights issue prior to the lapse of that Incentive.
<b>Board discretion</b>	Under the terms of the Incentive Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the Incentive Plan, without the requirement for further Shareholder approval. In circumstances where an eligible person ceases to be employed or engaged by the Company, the Board may decide that some or all of that person's incentives will not be forfeited. The Board may add forfeiture terms to a particular grant of incentive provided those terms are set out in the relevant incentive invitation.
<b>Trust</b>	The Board may establish an employee share trust for the purposes of the Employee Incentive Plan.
<b>Copies of Incentive Plan</b>	A copy of the full terms of the Employee Incentive Plan can be obtained by contacting the Company Secretary on +61 8 9200 1600 or via email at CoSec@goldroad.com.au.

**GOLD ROAD RESOURCES LIMITED**  
**EXPLANATORY STATEMENT**

**Appendix B – Calculation of Performance Rights under the 2020 Long Term Incentive Program and Measurement Peer Group**

The framework for the Company's Long Term Incentive Remuneration Policy is based on the following key principles which apply to the grant of long term incentives:

- The vesting of long term incentives will be subject to performance measured against long term internal Company hurdles and Shareholder return hurdles.
- Vesting will be measured at the end of a minimum three year period.
- Long term incentives are to be granted annually, and will be subject to a percentage threshold amount of base remuneration. The percentage threshold is to be reviewed at each grant, and determined based on market and peer group practice.

The Performance Rights to be granted to Messrs Murray and Osborne subject to Shareholder approval as set out in the Explanatory Statement is set out below:

<b>Executive</b>	<b>Base Salary</b>	<b>LTI %</b>	<b>LTI \$ Value</b>	<b>No. of Rights</b>
Mr Ian Murray - Managing Director and Chief Executive Officer	513,333	100%	513,333	728,028
Mr Justin Osborne - Executive Director	406,600	65%	264,290	374,826
			<b>777,623</b>	<b>1,102,854</b>

<b>Performance Hurdle</b>	<b>Weighting</b>	<b>No. of Rights</b>
Company	50%	551,427
Shareholder Return	50%	551,427

The market value used by the Company, for the purposes of calculating the quantity of Performance Rights that may be converted to Shares has been set at 70.51 cents being the higher of the Company's 30 day VWAP for the period to 1 July 2017 and the most recent capital raising price prior to that date (being the May 2016 share placement and entitlement issue).

**Peer group of companies used to compile an equal weighted index for measurement of the TSR vesting condition for LTI Performance Rights the subject of Resolutions 6 and 8 - 2020 LTI Program**

<b>Peer Company</b>	<b>ASX Code</b>	<b>Justification</b>
Dacian Gold Limited	DCN	Existing peer – WA Gold, Construction
Saracen Minerals Holding Limited	SAR	Existing peer – WA Gold, Junior Producer
Beadell Resources Limited	BDR	Existing peer – International Gold, Junior Producer
Perseus Mining Limited	PRU	Existing peer - International Gold, Junior Producer
Pilbara Minerals Limited	PLS	Existing peer – WA Lithium, Construction
Independence Group	IGO	Existing peer – WA Nickel/Gold, Mid-tier Producer
Resolute Mining Limited	RSG	Existing peer – International Gold, Mid-tier Producer
Gascoyne Resources Limited	GCN	New peer – WA Gold, Construction
Breaker Resources NL	BRB	New peer – WA Explorer
Westgold Resources Limited	WGX	New peer – WA Gold, Junior Producer
Silver Lake Resources Limited	SLR	New peer – WA Gold, Junior Producer
Ramelius Resources Limited	RMS	New peer – WA Gold, Junior Producer
St Barbara Limited	SBM	New peer – International Gold, Mid-tier Producer
Regis Resources Limited	RRL	New peer – WA Gold, Mid-tier Producer

# GOLD ROAD RESOURCES LIMITED

ACN: 109 289 527

**REGISTERED OFFICE:**  
LEVEL 2  
26 COLIN STREET  
WEST PERTH WA 6005

**SHARE REGISTRY:**  
Security Transfer Australia Pty Ltd  
**All Correspondence to:**  
PO BOX 52  
Collins Street West VIC 8007  
Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000  
T: 1300 992 916 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

«EFT\_REFERENCE\_NUMBER»

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

«Company\_code» «Sequence\_number»

Code: GOR

Holder Number: «HOLDER\_NUM

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

<b>VOTE ONLINE</b>	Lodge your proxy vote securely at <a href="http://www.securitytransfer.com.au">www.securitytransfer.com.au</a> 1. Log into the Investor Centre using your holding details. 2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.	<span style="border: 1px solid black; padding: 2px 10px;">«ONLINE</span>
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### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting Chairperson **OR**

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 2:00pm WST on Friday, 17 November 2017 at The Celtic Club, 48 Ord Street, West Perth WA 6005 and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	*Abstain		For	Against	*Abstain
1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. Grant of Performance Rights to Mr Justin Osborne - CY2017 STI Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director - Mr Brian Levett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. Grant of Performance Rights to Mr Justin Osborne - 2020 LTI Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director - Mr Justin Osborne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Change in Aggregate Non-executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5. Grant of Performance Rights to Mr Ian Murray - CY2017 STI Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6. Grant of Performance Rights to Mr Ian Murray - 2020 LTI Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder	Security Holder 2	Security Holder 3
<div style="border: 1px solid black; width: 100%; height: 20px;"></div>	<div style="border: 1px solid black; width: 100%; height: 20px;"></div>	<div style="border: 1px solid black; width: 100%; height: 20px;"></div>
Sole Director & Sole Company Secretary	Director	Director/Company Secretary

**Proxies must be received by Security Transfer Australia Pty Ltd no later than 2:00pm WST on Wednesday 15 November 2017.**



My/Our contact details in case of enquiries are:

Name:

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Number:

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### 1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

### 2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

### 3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

### 4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

### 5. SIGNING INSTRUCTIONS

**Individual:** where the holding is in one name, the Shareholder must sign.

**Joint Holding:** where the holding is in more than one name, all of the Shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

### 6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

#### Security Transfer Australia Pty Ltd

<b>Online</b>	www.securitytransfer.com.au
<b>Postal Address</b>	PO BOX 52 Collins Street West VIC 8007
<b>Street Address</b>	Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000
<b>Telephone</b>	1300 992 916
<b>Facsimile</b>	+61 8 9315 2233
<b>Email</b>	registrar@securitytransfer.com.au

### PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

