

Confirmed Viability of 100ktpa Processing Plant for Central Bore



Highlights

- **Confirmed viability of a 100ktpa Processing Plant at Yamarna**
- **Lower capital expenditure for the smaller plant option (process plant only) of \$18 - \$20 million**
- **Operating expenditure per tonne: \$80/t - \$100/t**

Gold Road Resources Limited (**Gold Road** or the **Company**) (ASX: GOR) is pleased to announce the results from the ore processing studies which confirm the viability of a smaller stand-alone high-grade underground mining operation at Central Bore, with a throughput of one hundred thousand tonnes per annum (**100ktpa**) processing plant.

The Scoping Study report, published on 26 September 2012, was based on a processing throughput of 400ktpa in a conventional CIL plant with blended feed material from both the high-grade **Central Bore** underground mining operation and the lower-grade **Attila** and **Alaric** open pit mining operations.

Despite the positive economic returns shown in that Scoping Study, a review of the outcomes highlighted the different operating costs of the underground mine versus the open pit mines, and the increased project and funding risk from including the relatively lower grade/higher cost open pit mining operations. Gold Road commissioned investigations into the smaller sized processing plant options fed only from the Central Bore underground mining operation and over the past quarter a number of engineering firms provided detailed quotations for both the capital expenditure and operating expenditure requirements for the smaller 100ktpa modular processing plant. These quotes ranged as follows:

- Capital expenditure (process plant only): \$18 – \$20 million
- Plant operating expenditure per tonne: \$80/t - \$100/t¹

Gold Road Chairman Ian Murray said: "The lower capital expenditure of the smaller stand-alone plant option compared to the original Scoping Study is very positive, and will result in a shorter payback period while maintaining the high return on investment.

¹ Equivalent to \$265/oz - \$330/oz, at 9.4g/t mill grade feed as per scoping study announcement September 2012

ASX Code: GOR

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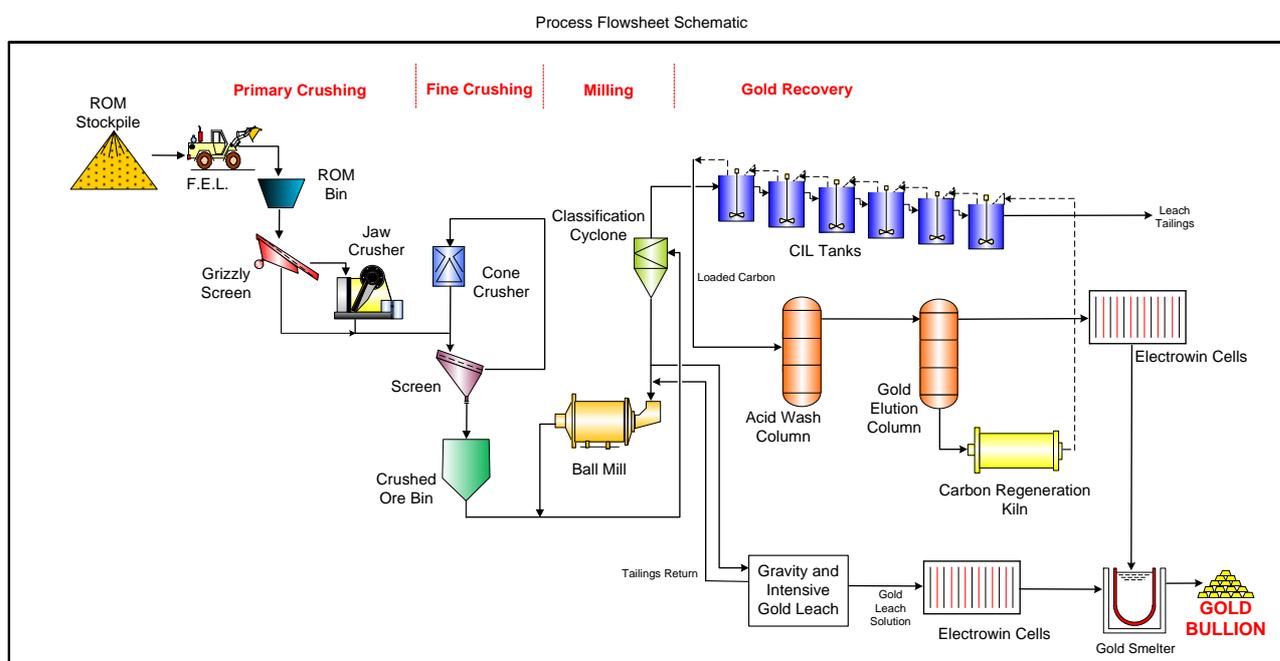


This option would allow us to expedite production with a much lower financing requirement, which is critical in the current capital market environment, and provides a solid platform for the finalisation of the Pre-feasibility study.”

Other potential benefits associated with the smaller modular plant are:

- reduced plant construction lead times;
- smaller mining camp; and
- reduced environmental footprint.

These numbers will be utilised in the Pre-feasibility Study, together with the revised Central Bore resource model (which will incorporate all the recent diamond drilling results), and is due for completion in the 2nd Quarter 2013.



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About Gold Road Resources Limited

Gold Road Resources Limited (ASX: GOR) is exploring and developing its wholly-owned Yamarna Belt, a newly discovered gold region covering ~5,000 square kilometres on the Yilgarn Craton, 150km east of Laverton in Western Australia.

The Yamarna Belt, adjacent to the 500 kilometre long Yamarna shear zone, is historically under-explored and highly prospective for gold mineralisation. Geologically similar to the prolific Kalgoorlie Gold Belt, the Yamarna Belt has a resource of 1.2 million ounces of gold, hosts a number of significant new discoveries and lies north of the 6.4 million ounce Tropicana deposit.

Gold Road is prioritising exploration of five **Gold Camp Targets** on the Yamarna Belt. Identified in 2012 through interpretation of various geological and geophysical data sets, each target has a 15-20 kilometre strike length and contains numerous prospects. Initial exploration of these Targets has been very encouraging.

Gold Road plans to fund exploration through production from its more developed projects – Central Bore and Attila. Central Bore has a JORC resource of 153,000 ounces of gold at an average grade of 9.1 g/t Au. Attila has a JORC resource of 1,060,000 ounces of gold at an average grade of 1.3 g/t. It extends more than 33 kilometres and contains numerous deposits including Attila, Alaric, Khan and Khan North.

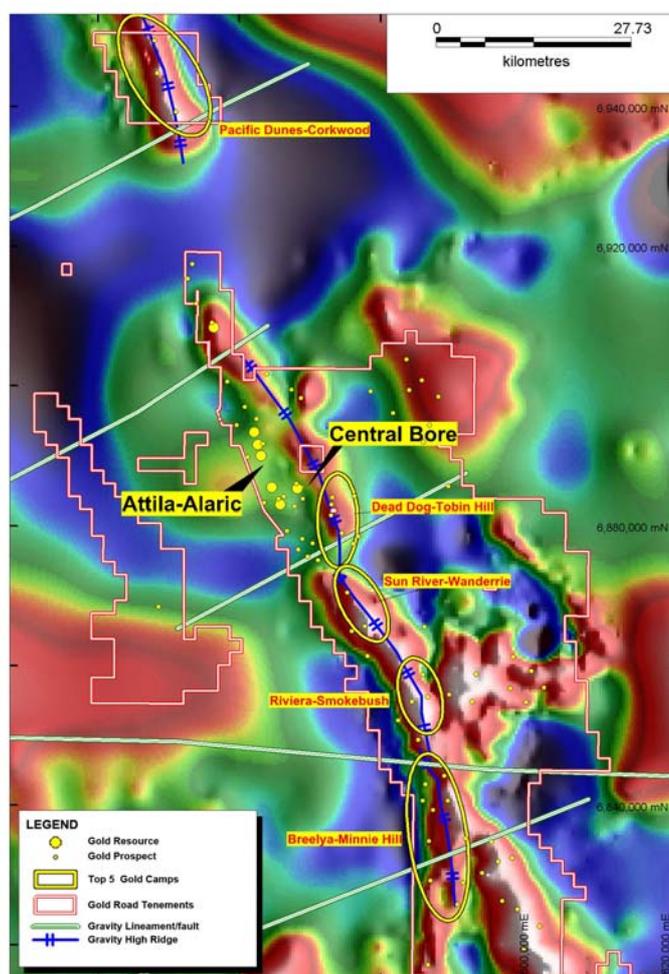


Figure 2: Yamarna Gravity Image with new Camp-Scale Targets

Current JORC compliant Gold Resource. Note: rounding errors may occur

Project Name (cut-off)	'000t	Grade g/t Au	Ounces Au
Central Bore Project (1.0g/t) (2012)	519	9.13	153,000
Measured	22	22.35	16,000
Indicated	444	8.90	128,000
Inferred	53	5.25	9,000
Attila Trend (0.5g/t) (2012) (encompasses Attila South; Attila North; Alaric; Khan and Khan North projects)	25,527	1.29	1,060,000
Measured	8,382	1.44	389,000
Indicated	9,360	1.24	373,000
Inferred	7,785	1.19	298,000
TOTAL	26,046	1.45	1,213,000

NOTES:

The information in this report which relates to Exploration Results or Mineral Resources is based on information compiled by Ziggy Lubieniecki, the Technical Director of Gold Road Resources Limited, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Lubieniecki has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Lubieniecki consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.