

GRUYERE SCOPING STUDY - A ROBUST, LONG LIFE, LARGE TONNAGE GOLD PROJECT AT A\$1,350/oz

Gold Road Resources (ASX:GOR) (**Gold Road** or the **Company**) is pleased to announce the completion of the Scoping Study (the **Study**) for the development of the Gruyere Project. As is normal for this class of study, this Study has been completed to an overall approximately 30% level of accuracy. The Gruyere Project comprises a large scale open pit mine at Gruyere, a narrow vein underground mine at Central Bore and a conventional 5Mtpa Carbon In Leach (**CIL**) processing facility at Gruyere (with 7.5Mtpa and 10Mtpa scenarios also investigated).

Highlights

- **Study indicates an economically robust gold project**
- **Base Case of 5Mtpa throughput (with 7.5Mtpa and 10Mtpa scenarios investigated)**
- **Base Case key metrics – projections and estimates @A\$1,350/oz¹:**
 - Average gold production of 190koz recovered per annum over 11 year life of mine (**LOM**) for 2.1Moz total production recovered
 - Gold revenue of A\$2.8 billion over LOM - further upside based on recent gold price increases
 - Average Cash Cost of A\$838/oz and All In Sustaining Cost (**AISC**) of A\$916/oz (defined on Page 2)
 - Net pre-tax cash flow of over A\$550 million over LOM (after capital)
 - All-inclusive pre-production capital cost estimated at A\$360 million
 - More than 70% of forecast production target is in Measured and Indicated Resource categories
 - Average LOM strip ratio (waste:ore) of 1.6:1
- **Board approves Pre-Feasibility Study to commence immediately, with Stage 1 to focus on optimal plant size and throughput**

SCOPING STUDY PARAMETERS – CAUTIONARY STATEMENT

The Study referred to in this report is based on low accuracy level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised.

ASX Code: GOR

ABN 13 109 289 527

COMPANY DIRECTORS

Ian Murray
Chairman

Justin Osborne
Executive Director

Russell Davis
Non-Executive Director

Tim Netscher
Non-Executive Director

Martin Pyle
Non-Executive Director

Kevin Hart
Company Secretary

CONTACT DETAILS

Principal & Registered Office
22 Altona St, West Perth, WA, 6005

Website
www.goldroad.com.au

Email
perth@goldroad.com.au

Phone
+61 8 9200 1600

Fax
+61 8 9481 6405



¹ See Appendix 1 "Forward Looking and Cautionary Statements" on page 14

SCOPING STUDY PARAMETERS – CAUTIONARY STATEMENT (continued)

This announcement has been prepared in compliance with the JORC Code 2012 Edition and the ASX Listing Rules. The Company advises the Study results and production targets reflected in this announcement are forecasts and estimates, and are preliminary in nature as conclusions are partly drawn from Inferred Resources, which comprise less than 30% of the gold in the mining inventory.

The Study outputs contained in this report relates to 100% of the Gruyere Project. Unless otherwise stated all cash flows are in Australian dollars, are undiscounted and are not subject to inflation/escalation factors and all years are calendar years.

The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement. The detailed reasons for that conclusion are outlined throughout this announcement and in particular in Appendix 1 headed “Forward-Looking and Cautionary Statements”.

Commentary

Gold Road’s Executive Chairman, Ian Murray said “The release of the Scoping Study is an important milestone for our Company. It transitions Gruyere from a standout gold discovery to a potentially robust gold mining project. This confirms the exceptional qualities of the Gruyere Project for mining and processing, and demonstrates the likelihood that Gold Road could become a significant gold producer.”

“The Base Case production scenario has highlighted multiple opportunities to improve the project economics through mine and plant size optimisation, power generation savings and further exploration success from both the Gruyere area and our extensive regional portfolio as well as higher gold prices. It is also relatively robust at lower gold price scenarios.”

“We are encouraged by the strength of the cash flow generation capacity of the Gruyere Project, estimated to be in excess of A\$550 million² using a Study gold price of A\$1,350/oz. At a gold price of A\$1,600/oz the Base Case net pre-tax cash flow generated (after capital) increases by over A\$500 million² over the life of the mine, to generate a total of more than A\$1 billion.”

The Study assessed the economics of the Gruyere Project, at varying throughput rates, against a number of internal company hurdles, which included:

- Payback period
- Internal Rate of Return
- Net present Value to Capital Spend ratio
- Cash Cost and AISC:
 - Cash Cost = Mining Cost + Processing Cost + Transport & Refining Costs + Site Overheads + G&A
 - AISC = Cash Cost + Royalties + Levies + Sustaining Capex

The Base Case average annual production following ramp-up is estimated to be 190koz pa of gold over an initial mine life of 11 years, positioning Gold Road as potentially a significant Australian gold producer.²

At a gold price of A\$1,350/oz, the Base Case generates average net pre-tax cash flows (after sustaining capex and royalties) of over A\$80 million per annum once in steady production. The LOM gold revenue is forecast at A\$2.8 billion, producing a net pre-tax cash flow of over A\$550 million after capital cost.²

The Gruyere Project is strongly leveraged to movements in the gold price, with the Base Case net pre-tax cash flow increasing by over A\$200 million over the LOM for each A\$100/oz movement in the gold price above A\$1,350/oz.²

The Study has been compiled with the assistance of a number of independent, reputable Western Australian based engineering companies with input from other key contributors and industry experts as well as Gold Road personnel (refer Appendix 2 for list of contributors). The Study highlights the economically and technically robust nature of the Gruyere Project.²

² See Appendix 1 “Forward-Looking and Cautionary Statements” on page 14

Introduction

The Gruyere Project is located within the Yamarna greenstone belt 140 kilometres east of Laverton in Western Australia and can be accessed by road and by air from Perth and Laverton (Figure 1). Gold Road holds approximately 5,000km² tenement package which includes the Gruyere Project area (Figure 4). The Gruyere Resource is situated on granted exploration licence E38/2362 (Mining Lease application M38/1267) which is 100% owned by Gold Road. The Central Bore Resource is situated on Mining Lease application M38/1255. Gold Road also owns the Yamarna pastoral lease within which both Mining Lease applications are located.

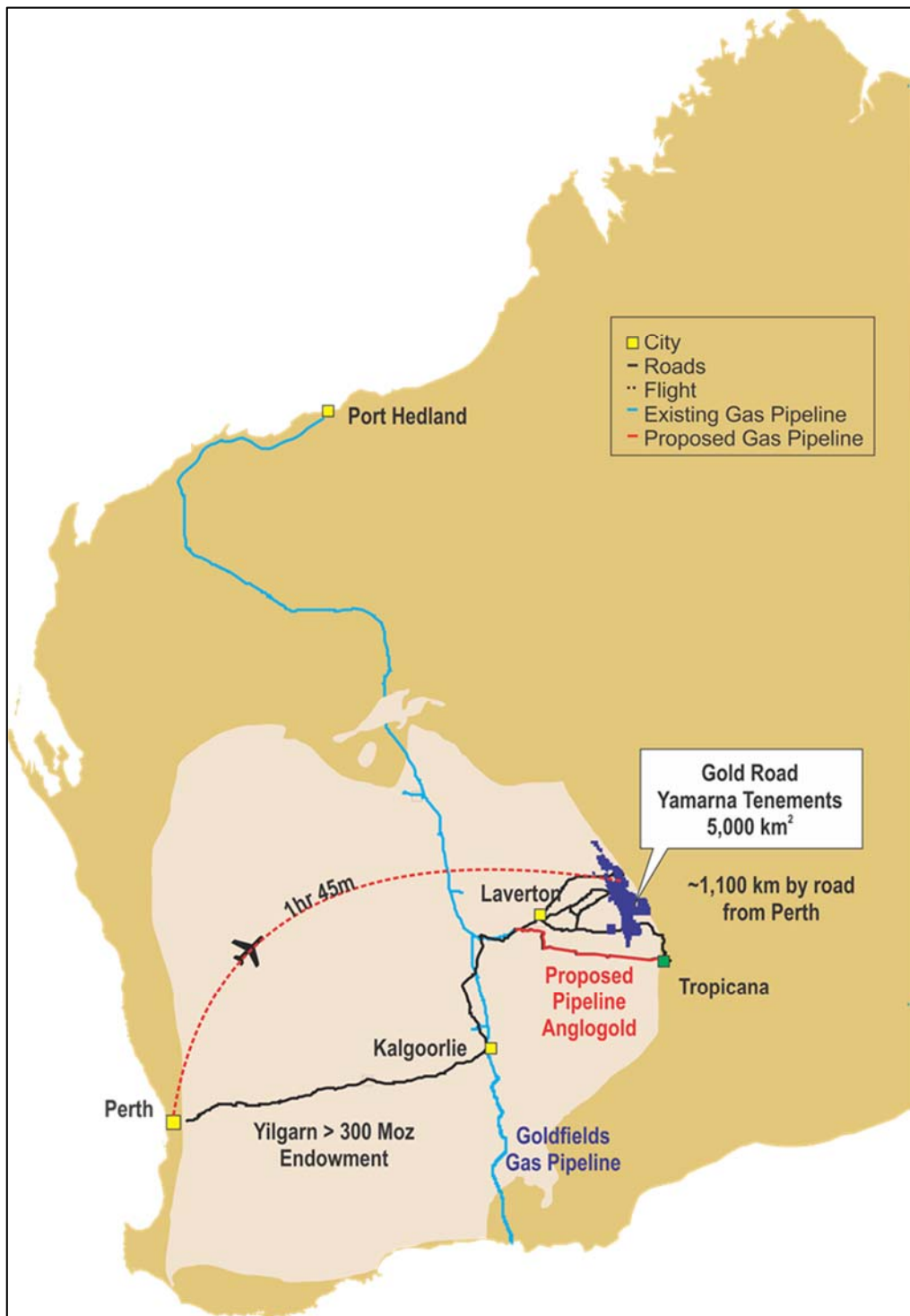


Figure 1: Location of Gold Road tenements relative to major cities and relevant infrastructure within the Yilgarn Craton.

Base Case parameters used for the Study (completed to an overall approximate $\pm 30\%$ level of accuracy) include:

- 5Mtpa mining rate;
- Open pit Mineral Resource at Gruyere of 96.9Mt at 1.2 g/t for 3.84Moz of contained gold based on a 0.7 g/t cut-off and constrained within an optimised pit shell (A\$1,550/oz);³
- Underground Mineral Resource at Central Bore of 630kt at 9.0 g/t for 183koz of contained gold based on a 1.0 g/t cut-off;⁴
- Open pit truck and shovel operation for Gruyere;
- Mechanised narrow vein open stoping operation for Central Bore;
- 4.85 to 5Mtpa of ore from Gruyere;
- 0.15Mtpa of ore from Central Bore (in the first three years);
- 5Mtpa CIL plant with two stage crushing and two stage ball milling;
- All mining operations by contractors;
- Process plant and infrastructure owner operated and managed;
- Power supply from diesel powered on-site generation under a Build Own Operate (**BOO**) arrangement.

Addendums and Optimisation Alternatives

An order of magnitude Addendum to the Study was carried out examining a 7.5Mtpa production rate option. Subsequently a higher level order of magnitude review of a 10Mtpa production rate was also conducted. This work indicated improved economics of the already robust Base Case and justifies further investigations be carried out in Stage 1 of the Pre-Feasibility Study (**PFS**) to determine the optimum production rate.

Note that all statements in this announcement refer to the 5Mtpa Base Case unless otherwise indicated, in particular in Table 1 below.

Investigation of the use of gas instead of diesel for power generation was also considered. This study provided valuable insight into potential power cost reductions which will be the subject of further work in the PFS Stage 1.

Recent drilling results from a 7,235 metre RC and diamond drilling program at Gruyere were announced on 20 January 2015. This included diamond hole 14GYDD0061 which intersected 781 metres of mineralisation at 1.29 g/t Au from 22 metres to 803 metres, extending mineralisation to a vertical depth of almost 750 metres. These drilling results together with an upcoming 22,000 metre RC and diamond drilling program will contribute to a resource upgrade anticipated in the September 2015 quarter which will be incorporated into the PFS.

³ Gruyere Mineral Resource reported to JORC 2012 standards, at 0.70 g/t Au cut-off (refer ASX announcement dated 4 August 2014)

⁴ Central Bore Mineral Resource reported to JORC 2012 standards, at 1.0 g/t Au cut-off (refer GOR Annual Report dated 15 October 2014)

Key Outcomes of the Scoping Study⁵

The Study confirms that the Gruyere Project presents, at A\$1,350/oz, an economically viable opportunity for development sufficient to warrant progress to the next stage of study based on the following outcomes:

Table 1: Summary of LOM Financial Outcomes and Assumptions

	Base Case 5Mtpa	7.5Mtpa Option⁶ (order of magnitude review)
Project Life (years)	11	Between 7 and 8
Stripping Ratio (waste:ore)	1.6:1	1.6:1
Gold Production (Moz)	2.1	2.1
Annual Gold Production (avg koz pa)	190	268
Capital Cost (A\$M) (Base Case Accuracy -10% / +35%)	360	435 - 480
Mining Cost (A\$/tonne ore) (Base Case Accuracy ±30%)	11.50	11.30 – 11.50
Processing Cost (A\$/tonne ore) (Base case Accuracy ±30%)	19.90	17.70 – 19.90
Mining Dilution (%)	2.5	2.5
Metallurgical Recovery (%)	95	95

Capital Costs⁵

Capital cost estimates have been determined to -10% / +35% accuracy and include pre-development mining costs, 8% contingency for the process plant and infrastructure, and a 15% contingency for other areas. Pre-production capital costs for the Project are estimated at A\$360 million and are tabled in Appendix 5.

Operating Costs⁵

Operating cost estimates have been determined to ±30% accuracy.

Mining costs are based on full service contract mining, with technical services co-ordinated by Gold Road. A summary of the mining operating cost estimates is provided in the Table below. Ancillary costs such as dewatering and grade control have been built into the cost estimates presented below.

Table 2: Summary of Mining Operating Costs for Gruyere Project

Area	A\$ million (over LOM)
Drill & Blast – Gruyere Open Pit	142
Load & Haul – Gruyere Open Pit	425
Operating Development – Central Bore Underground	27
Drill & Blast – Central Bore Underground	9
Load & Haul – Central Bore Underground	15
Underground Backfill	6
Total Mining Operating Cost	624
Total Mining Operating Cost A\$/t mined	11.50

⁵ See Appendix 1 “Forward-Looking and Cautionary Statements” on page 14

⁶ See Appendix 1 “Forward-Looking and Cautionary Statements” on page 14

Base Case ore processing costs have been specifically estimated for oxide, transition and fresh ore types based on measured metallurgical and comminution behaviour and derived using first principles taking into account labour, power, reagents and grinding media, maintenance and lining costs. The limited extent of testwork is commensurate with the level of Study. Costs range from A\$16.00/t milled for oxide ore, A\$19.00/t milled for transition ore and A\$20.30/t milled for fresh ore. Processing operating costs average A\$19.90/t milled over the LOM. These costs have been validated, at a high level, against existing operations in Western Australian Goldfields of a similar type and scale.

Total operating costs over the LOM average \$34.20/t ore, as outlined in Table 3.

Table 3: Gruyere Project operating cost summary (errors may occur due to rounding)

Cost Area	Unit Cost	
	A\$/t ore milled	%
Mining	11.50	33.5
Processing	19.90	58.0
Administration	0.90	3.0
Refining	0.10	0.5
Royalties & Levies	1.80	5.0
Total	34.20	100.0

Mining Operations⁷

The Study is based on the Mineral Resources model for the Gruyere and Central Bore deposits (refer ASX announcement dated 4 August 2014 and GOR Annual Report dated 15 October 2014 respectively). Gold Road is proposing to mine the Gruyere Resource using conventional drill, blast, load and haul open pit mining methods, and the Central Bore Resource through underground stoping methods. There is a possibility of transitioning the proposed open pit operation at Gruyere into an underground mine at depth in later years, which is outside the parameters of this Study.

Table 4: Gruyere mining inventory by rock type for the 5Mtpa case (errors may occur due to rounding)

Material Type	Tonnes (Mt)			Gold Grade (g/t)	Contained Gold Ounces (Moz)
	Waste	Ore	Total		
Quaternary Cover	3.1	-	3.1	-	-
Permian Cover	11.0	-	11.0	-	-
Saprolite (Oxide)	16.8	0.8	17.6	1.22	0.03
Saprock (Oxide)	15.3	7.6	22.9	1.12	0.27
Transitional	9.1	5.8	14.9	1.06	0.19
Fresh	30.2	40.2	70.4	1.24	1.51
Total	85.5	54.3	139.8	1.20	2.09

In the first two to three years, processing inventory will include 4.85Mtpa from the Gruyere open pit and 0.15Mtpa of high-grade ore produced from an underground mine at Central Bore. Thereafter 5Mtpa will be sourced entirely from the Gruyere open pit.

Pit optimisation studies were carried out assuming an average mining dilution of 2.5%, mining recovery of 98%, 10 metre bench height, at a maximum bench advance rate of seven benches per year. Given the scale of the operation, the continuity of the orebody and grade distribution, these assumptions are appropriate for this level of Study (Figure 2).

⁷ See Appendix 1 "Forward-Looking and Cautionary Statements" on page 14

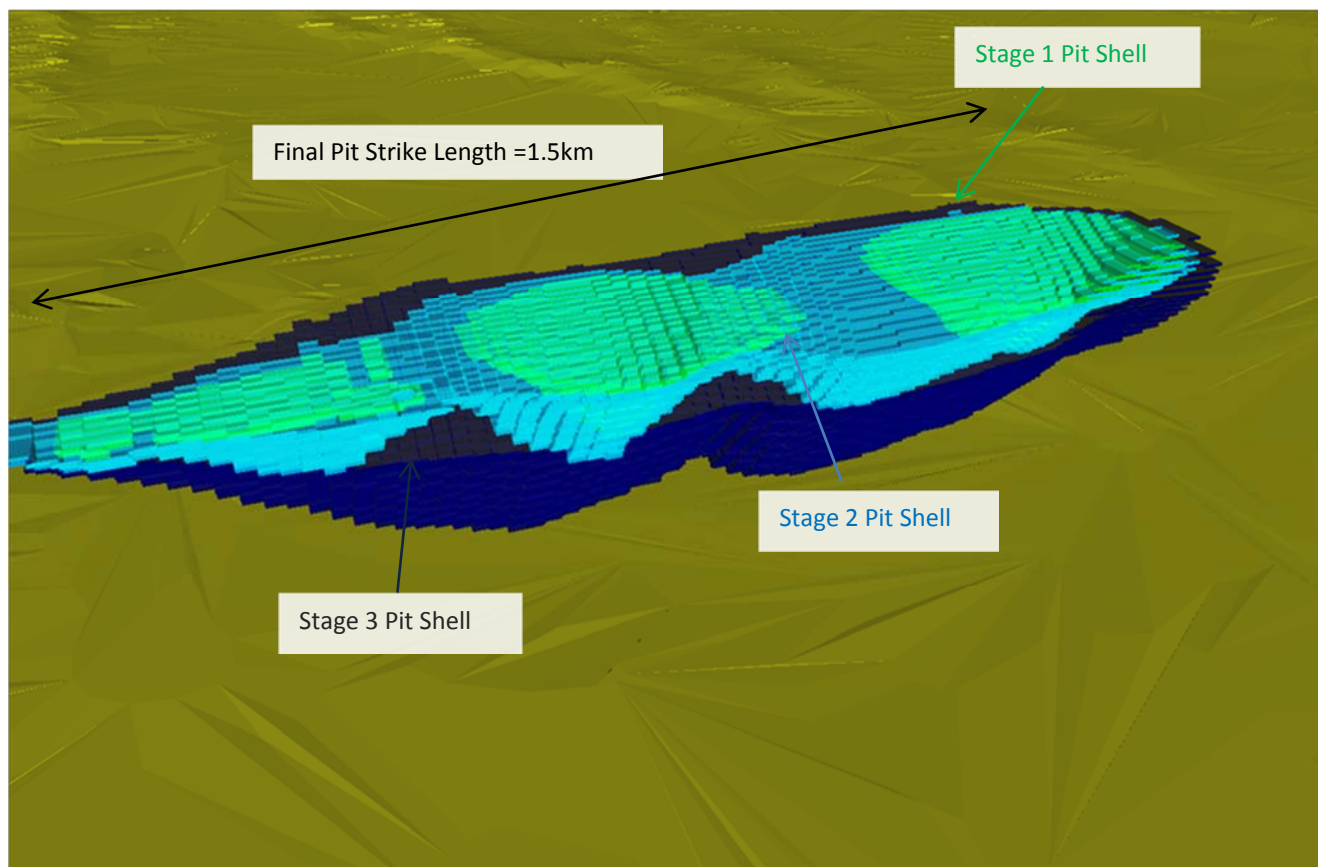


Figure 2: Oblique view of optimised pit shells for Gruyere (looking West and coloured by mining stage)

Underground optimisation studies were carried out on Central Bore assuming mining dilution of 10%, mining recovery of 95%, 20 metre stope height, 1.2 metre minimum mining width, 5 g/t cut-off grade and lateral development rates of 270 metres per month.

The Central Bore underground mine has been the subject of previous studies. Sub-level longhole open stoping will be applied to extract ore from the underground workings. This mining method represents an efficient, mechanised mining option, which is widely used for similar mining scenarios in Western Australian Goldfields.

Ore Processing and Production⁸

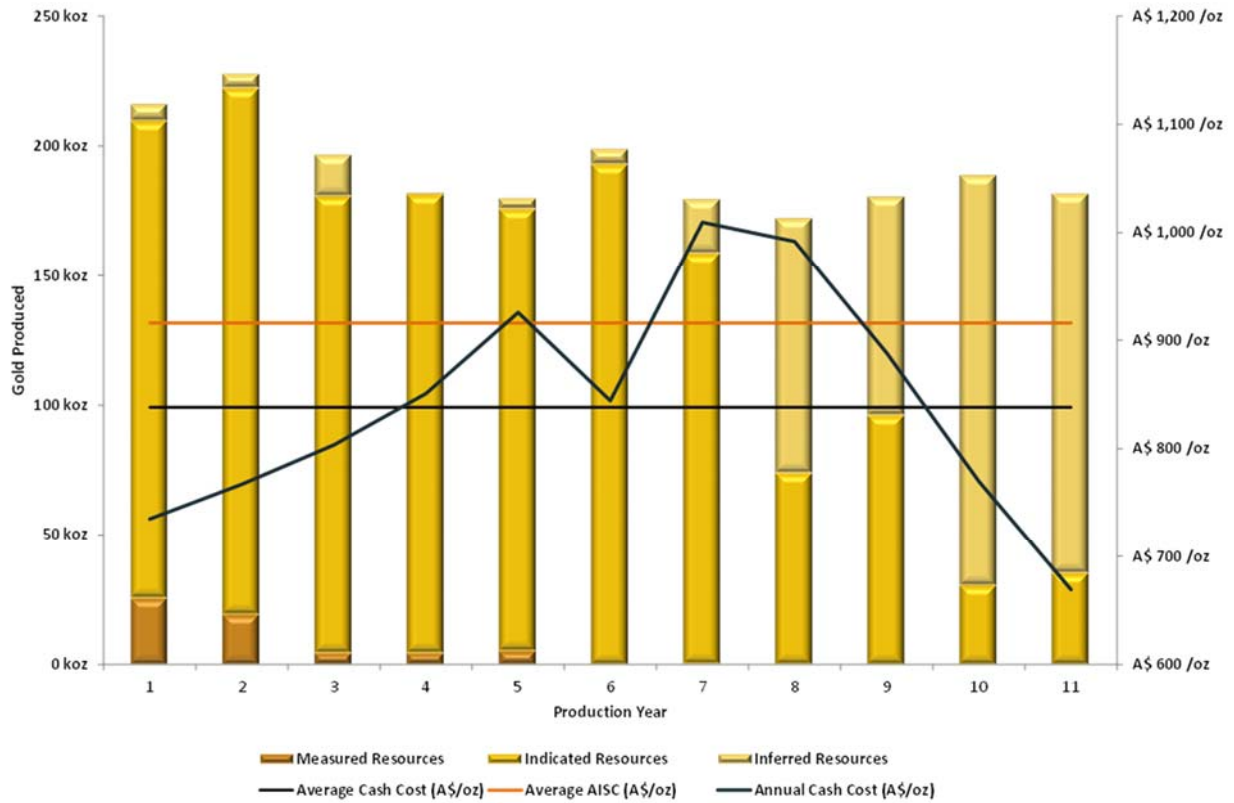
The Base Case process facility assumes the treatment of 5Mtpa of gold bearing ore. The projected plant throughput rate will be 625 tonnes per hour with an estimated combined feed grade of 1.5 g/t Au in the first three years due to blending with relatively high-grade ore from the Central Bore underground mine. The average LOM grade is approximately 1.2 g/t Au with the overall process recovery of 95%. Estimated initial gold production is 213,000 ounces per annum over the first three years due to the high-grade ore feed from Central Bore. Thereafter feed grade reduces resulting in an average production rate of 180,000 ounces per annum for the remainder of mine life. The processing facility is a conventional two stage crushing, two stage ball mill CIL plant. Forecast annual variation in production is relatively low due to the homogeneity of the Gruyere Mineral Resource (Graph 1).

A summary of major equipment and design capacities incorporated into the Study is included in Appendix 6.

The process flowsheet is based on the results of preliminary metallurgical testwork (consistent with this level of Study) describing metallurgical and comminution behaviour (refer ASX announcements dated 5 May 2014 and 3 July 2014 respectively). The process flowsheet is likely to change and become further refined based on the testwork conducted as part of the next stages of Study.

⁸ See Appendix 1 "Forward-Looking and Cautionary Statements" on page 14

Almost all gold (96%) produced in the first seven years of production is sourced from Measured and Indicated Resource material (Graph 1). Inferred material is mostly constrained to the last four years of mine life. A programme of approximately 15,000 metres of RC and 7,000 metres of diamond drilling will commence at Gruyere in February 2015. The programme is designed to convert a large portion of the Inferred component of the Resource incorporated in the Study to the Indicated category for inclusion into the PFS. This programme is expected to extend into the June 2015 quarter.



Graph 1: Estimated Gold Produced by Resource Category by Production Year; and Cash cost per ounce by Production Year, with LOM average Cash cost and AISC. Cash cost and AISC are defined on Page 2

Infrastructure and Services

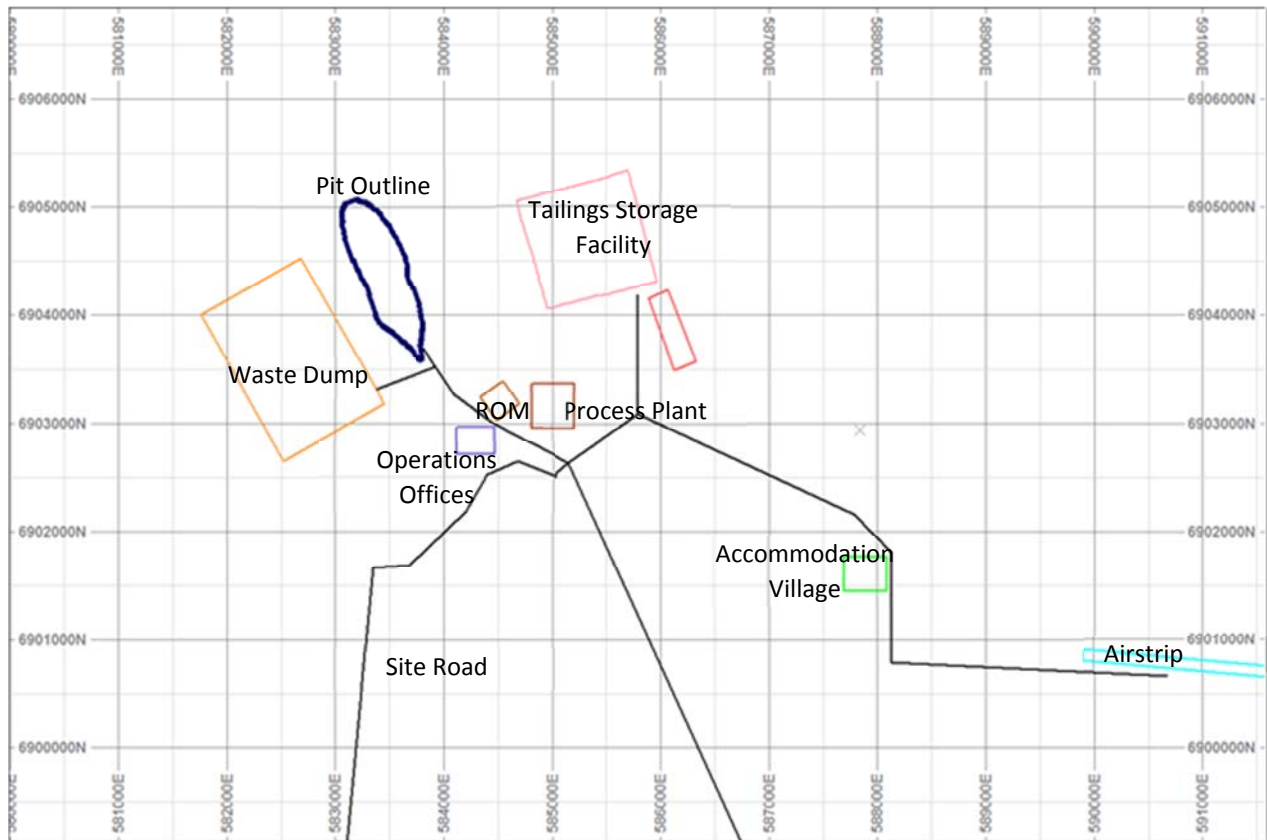


Figure 3: Proposed layout of infrastructure for the Gruyere Project

Road and Airstrip access	Access roads are planned to be unsealed, properly formed and compacted with appropriate drainage. The plant site is approximately one kilometre from the Gruyere Mineral Resource. An airstrip is planned to be constructed within close proximity of the operation (Figure 1).
Power Supply	The power supply for the Project is planned to be taken from an onsite BOO style diesel power station with capacity of 25 MW.
Water Supply	The water supply borefield is designed to comprise 15 bores with sufficient capacity to supply 4.9GL per annum required for the processing plant, infrastructure and mine requirements. It is anticipated that water will be sourced from the seven existing bores in the Yeo Palaeodrainage 25 kilometres south-west of Gruyere and an additional eight new bores located in the same area.
Tailings Storage Facility	An Integrated Waste Landform using waste material mined from the pit to form the storage facility is the preferred option considered in the Study.
Camp	An estimated 250 person accommodation camp is planned to be situated approximately four kilometres from the plant site. It will be designed to accommodate 100% of the permanent operational workforce on a fly-in/fly-out basis on a “two weeks on, one week off” roster, plus short term contractors and visitors and operated by a third party service provider.

Funding and Permitting⁹

The Gruyere Project's positive technical and economic fundamentals provide a platform for Gold Road to advance discussions with potential strategic partners and traditional financiers. The strong financial projections and estimates derived from the Study combined with recent support from key institutional shareholders and strategic partners, current market conditions and an encouraging outlook for the global and Australian gold market enhance the Company's view of the potential fundability of the Gruyere Project.

Gold Road has submitted separate mining lease applications over the Gruyere and Central Bore areas. Native title mining agreement negotiations over Central Bore are advanced, while negotiations over the Gruyere area are yet to commence. Gold Road is confident of reaching agreement over both areas in due course.

Due to the size and significance of the Project to the State of Western Australia the Gruyere Project has recently been granted Lead Agency Status Level 2 by the Government of Western Australia. As a result all necessary state approval processes will be co-ordinated by specific individuals within the Department of Mines and Petroleum.

Conclusion and Recommendations⁹

This Study indicates that the Gruyere Project, employing conventional mining and processing methods common in Western Australia, is technically sound. Using a gold price of A\$1,350/oz (approximately 20% below the current spot price) and industry standard costs the Project is financially viable. Accordingly the Board has approved progression to PFS.

The Study demonstrates that the Gruyere Project is sensitive to operating costs, grade and gold price. Changes in these key factors will have a material effect on the economic performance of the Gruyere Project.

A range of opportunities and alternatives to further optimise the Gruyere Project and enhance the financial performance have been identified, which include production rate, gas versus diesel power supply and resource upgrade. These will be assessed and evaluated in the PFS.

The PFS is planned to be carried out in two stages during 2015. Stage 1 will primarily focus on the determination of the optimum production rate for the Gruyere Project. Rates ranging from 5Mtpa to 10Mtpa will be evaluated. The evaluations will review the requirements for processing, infrastructure and other associated facilities for the relevant production rates. During this phase, an evaluation of diesel and gas options for power generation will be carried out for the various production rates. A decision will be made at the completion of this stage on the optimum production rate and power generation option. Work on associated areas such as environmental studies and permitting will continue in parallel. Stage 2 will complete the detailed PFS based on the mining rate determined in Stage 1, with the aim of completing both Stages within 2015. An experienced project studies and development professional will join the Gold Road management team to complete the PFS and to take the Gruyere Project through to full feasibility study.

⁹ See Appendix 1 "Forward-Looking and Cautionary Statements" on page 14

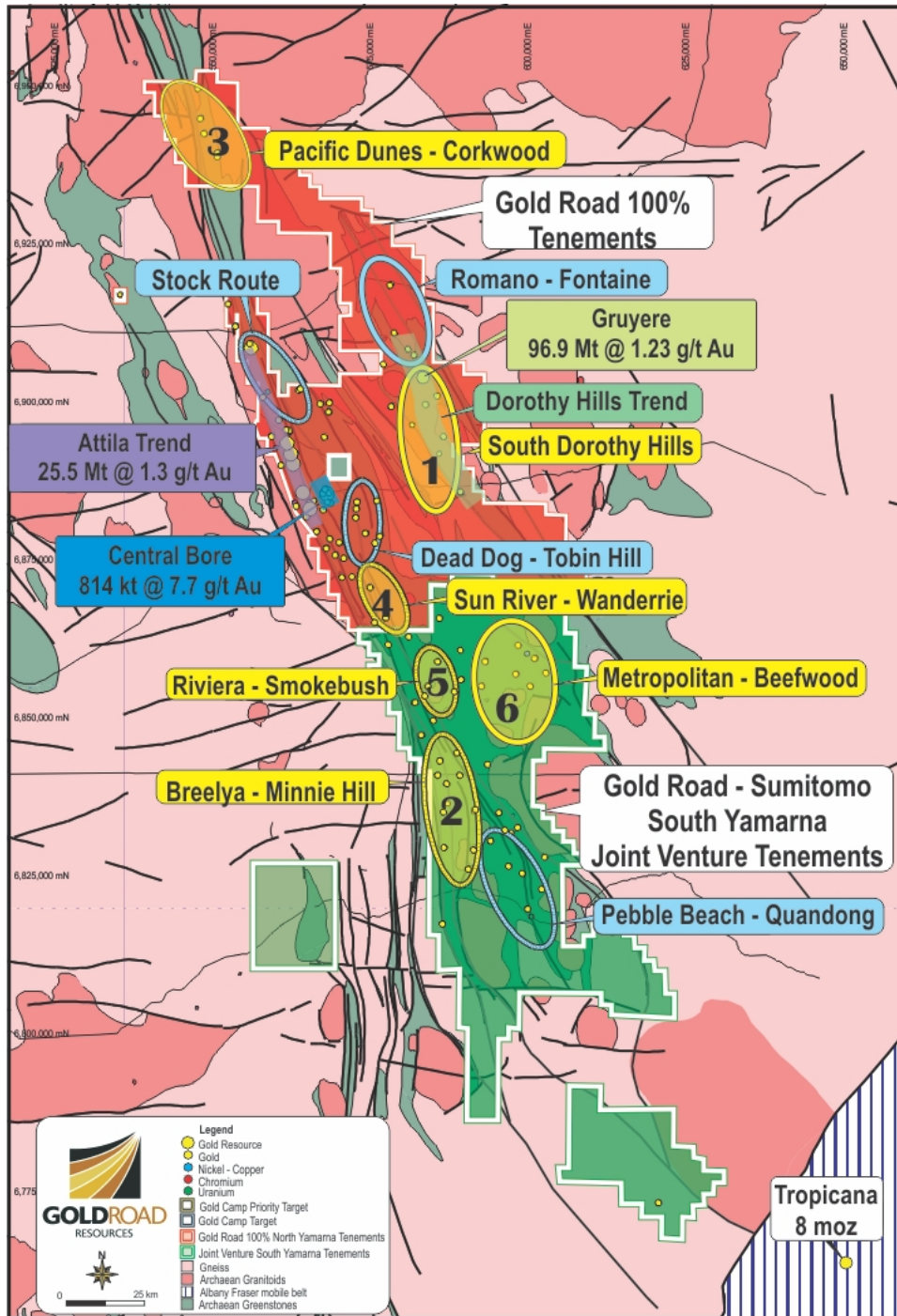


Figure 4: Gold Road 100% tenements and Gold Road-Sumitomo South Yamarna Joint Venture tenements showing the location of the Gruyere Project.

For further information please visit www.goldroad.com.au or contact:

Gold Road Resources

Ian Murray
Executive Chairman
Telephone: +61 8 9200 1600

Media and Broker Enquiries

Andrew Rowell - arowell@canningspurple.com.au
Warrick Hazeldine - whazeldine@canningspurple.com.au
Cannings Purple
Tel: +61 8 6314 6314

About Gold Road Resources

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, 150 kilometres east of Laverton in Western Australia.

Gold Road announced in May 2013 an exploration joint venture with Sumitomo Metal Mining Oceania Pty Ltd (a subsidiary of Sumitomo Metal Mining Co. Limited) for Sumitomo Metal Mining to earn up to 50% interest in Gold Road's South Yamarna tenements, an area covering ~2,900 square kilometres.

The Yamarna Belt, adjacent to the 500 kilometre long Yamarna shear zone, is historically underexplored and highly prospective for gold mineralisation. Geologically similar to the prolific Kalgoorlie Gold Belt, the Yamarna Belt has a current reported Mineral Resource of 5.1 million ounces of gold, hosts a number of significant new discoveries and lies immediately north of the 7.9 million ounce Tropicana deposit.

Gold Road prioritises exploration on its tenement holding into six of ten **Gold Camp Scale Targets** on the Yamarna Belt. Identified in 2012 through interpretation of various geological and geophysical data sets, each target has a 15-25 kilometre strike length and contains numerous prospects. Initial exploration of these targets has been very encouraging, highlighted by the discovery of the Gruyere Deposit in 2013 and the release of its Maiden Mineral Resource of 3.8 million ounces within 12 months of discovery.

The first Gold Camp Scale Target was the South Dorothy Hills Trend which initially yielded the recent Gruyere and YAM14 gold discoveries. These discoveries, which exhibit differing mineralisation styles not seen before in the Yamarna Belt, occur along a nine kilometre structural trend on the Dorothy Hills Shear Zone, approximately 25 kilometres north-east of its more advanced project Central Bore. The occurrence of multiple mineralised positions confirms the potential for the Dorothy Hills Trend to host further significant gold deposits.

Table 5A: Total Gold Road Mineral Resource reported under JORC 2012

Project Name	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Koz Au)
Gruyere¹ (2014) (0.7 g/t)	96.93	1.2	3,838
Measured	1.43	1.4	62
Indicated	38.76	1.2	1,515
Inferred	56.74	1.2	2,260
Central Bore² (2013) (1.0 g/t)	0.63	9.0	183
Measured	0.043	26.6	37
Indicated	0.40	9.0	116
Inferred	0.19	5.0	31
Total JORC 2012 Resource	97.56	1.3	4,021

Table 5B: Total Gold Road Mineral Resource reported under JORC 2004

Project Name	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Koz Au)
Justinian³ (Central Bore Trend) (2012) (1.0 g/t)	0.18	3.1	18
Indicated	0.03	3.1	3
Inferred	0.15	3.1	15
Attila Trend⁴ (2012) (0.5 g/t)	25.53	1.3	1,060
Measured	8.38	1.4	389
Indicated	9.36	1.2	373
Inferred	7.79	1.2	298
Total JORC 2004 Resource	25.71	1.3	1,078

Total Mineral Resource	123.27	1.3	5,099
-------------------------------	---------------	------------	--------------

NOTES:

- Gruyere Mineral Resource reported to JORC 2012 standards, at 0.70 g/t Au cut-off (refer ASX announcement dated 4 August 2014).
- Central Bore Mineral Resource reported to JORC 2012 standards, at 1.0 g/t Au cut-off (refer GOR Annual Report dated 15 October 2014).
- Justinian Mineral Resource (Central Bore Trend) reported to JORC 2004 standards, at 1.0 g/t Au cut-off (refer GOR Annual Report dated 15 October 2014).
- Attila Trend Mineral Resource (including Attila South and North, Khan, and Khan North deposits) reported to JORC 2004 standards, at 0.50 g/t Au cut-off (refer GOR Annual Report dated 15 October 2014).

All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements and that all material assumptions and technical parameters underpinning the resource estimates continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resource Estimation for Central Bore is based on geostatistical modelling by Ravensgate using sample information and geological interpretation supplied by Gold Road. The Mineral Resource estimates were undertaken by Mr Craig Harvey, previously Principal Consultant at Ravensgate and Mr Neal Leggo, Principal Consultant at Ravensgate. Messrs Harvey and Leggo are both Members of the Australian Institute of Geoscientists. Messrs Harvey and Leggo have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Messrs Harvey and Leggo consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimation for Gruyere is based on information compiled by Mr Justin Osborne - Exploration Manager Gold Road Resources, and Mr John Donaldson - Principal Resource Geologist, Gold Road Resources. Mr Osborne is an employee of Gold Road Resources, as well as a shareholder and share option holder, and is a Fellow of the Australasian Institute of Mining and Metallurgy (Member 209333). Mr Donaldson is a fixed-term contract employee of Gold Road Resources as well as a shareholder, and is a Member of the Australian Institute of Geoscientists and Registered Professional Geoscientist (MAIG RPGeo Mining 10,147). Both Mr Osborne and Mr Donaldson have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Osborne and Mr Donaldson consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimation for the Attila Trend and Justinian is based on geostatistical modelling by Ravensgate using sample information and geological interpretation supplied by Gold Road. The Mineral Resource estimates for Attila Trend and Justinian were undertaken respectively by Mr Stephen Hyland, Principal Consultant and Director at Ravensgate, and Mr Craig Harvey, previously Principal Consultant at Ravensgate. Mr Stephen Hyland is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Craig Harvey is a Member of the Australian Institute of Geoscientists. Messrs Hyland and Harvey have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Messrs Hyland and Harvey consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

APPENDIX 1: FORWARD-LOOKING AND CAUTIONARY STATEMENTS

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain mine licenses, permits and other regulatory approvals required in connection with mining and processing operations, competition for among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of transportation services; the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward-looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This announcement has been prepared in compliance with the JORC Code 2012 Edition and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular:

- (a) The Scoping Study was completed by independent engineering firm, GR Engineering, who are considered to be Western Australian experts, together with Gold Road’s Business Development Team under the direction of Gordon Murray (BEng.(Mining) UNSW 1986, M.AusIMM). As is normal for this type of study, the Scoping Study has been prepared to an overall level of accuracy of approximately $\pm 30\%$, with the capital cost estimate level of accuracy being -10% / $+35\%$.
- (b) The Company has a Mineral Resource Estimate for the Gruyere¹⁰ and Central Bore¹¹ resources of 97.6 million tonnes at 1.3 g/t Au for 4Moz (at a 0.7 g/t and 1.0 g/t Au cut-off grade respectively) of which 43%, being 40.6 million tonnes at 1.3 g/t Au for 1.7Moz, is classified in the Measured and Indicated Mineral Resource category under the JORC Code 2012.
- (c) Within the mining inventory of 2.2Moz, more than 70% of the material is within the Measured and Indicated categories. This level of Measured and Indicated Resource is a material amount as a percentage of the entire mining inventory.

¹⁰ refer ASX announcement dated 4 August 2014

¹¹ refer GOR Annual Report dated 15 October 2014

- (d) Gold Road has continued with infill drilling at Gruyere which is expected to be completed in the June 2015 quarter. This program has been designed to convert material currently included in the Inferred Mineral Resource into the Indicated Mineral Resource category for the PFS and to enable Mineral Reserves to be estimated. Given the size, continuity of mineralisation, geometry of the Gruyere Resource and infill hole design Gold Road is confident of achieving this Resource classification conversion.
- (e) The Gruyere Mineral Resource was estimated by Mr John Donaldson of Perth, Western Australia in August 2014.¹²
- (f) The Central Bore Mineral Resource was estimated by Mr Craig Harvey of Perth, Western Australia in December 2013.¹³
- (g) Metallurgical testwork, consistent with that required for this level of study, which forms the basis for estimates of metallurgical recoveries was completed by independent consultant Mr Terry Weston and ALS Metallurgical Laboratories in Perth, Western Australia. The testwork resulted in recoveries above the level of 95% used in the analysis for this Study. Mr Weston holds a Bachelor of Applied Science majoring in Metallurgy graduating from University of Melbourne in 1972. Mr Weston was a Consultant to Gold Road during the Scoping Study. Mr Weston consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.
- (h) The mine planning and scheduling for the 5Mtpa Base Case and 7.5Mtpa production option were undertaken by Gold Road's Business Development team, consisting of Mr Gordon Murray and Mr Asam Shaibu (both mining engineers with a combined 34 years of mine planning and operations experience and both Members of the Australasian Institute of Mining and Metallurgy) utilising the Whittle Optimisation software (for open pit mine planning), Studio 5D Planner and Enhanced Production Scheduler (for underground mine planning). The mine plan indicates that 92% of the first seven years of production from the mining inventory is based on Measured and Indicated Resources.
- (i) GR Engineering prepared the detailed process flowsheet based on metallurgical test work.
- (j) Mining and Processing costs were obtained from reputable Australian based mining contracting companies and GR Engineering respectively. These costs have been validated at a high level against existing operations in Western Australian Goldfields of a similar type and scale. The information in this announcement that relates to Process Engineering capital and operating cost estimates is based on information compiled or reviewed by Mr Rod Schier of GR Engineering Services Limited. Mr Schier is a Member of the Institute of Engineers Australia.
- (k) Capital costs for the 7.5Mtpa option were provided by GR Engineering based on recent studies of projects of a similar type and style.
- (l) Geotechnical Engineering has been completed by Gary Dempers of Dempers and Seymour using modern geotechnical techniques and methods, and based on testwork consistent with this level of study. Dempers and Seymour are industry recognised experts in the field of mining geotechnical engineering.
- (m) Tailings dam investigation work associated with the Study was undertaken by Coffey Pty Ltd.
- (n) The Gruyere Project has been granted Lead Agency Status Level 2 by the Government of Western Australia. This means, by way of recognition of the size and significance of the Project to the State of Western Australia, all necessary state approval processes will be coordinated by specific individuals within the Department of Mines and Petroleum.
- (o) The Company believes that the investigations and studies carried out on the process flowsheet and the mine planning for this Study exceeds what would normally be expected at a Scoping Study level.
- (p) Gold Road has had a very successful track record of adding mineral resource through greenfields and brownfields exploration across its tenements within the Yamarna Greenstone Belt. Gold Road is confident there is a high probability that it will continue to increase the mineral resources at the Gruyere Project through exploration to extend the mine life past what is currently assumed in the Study. The Gruyere and Central Bore deposits are located in the Yamarna Greenstone Belt which is highly prospective.

¹² refer ASX announcement dated 4 August 2014

¹³ refer GOR Annual Report dated 15 October 2014

- (q) The Gruyere Project's positive technical and economic fundamentals provide a platform for Gold Road to advance discussions with potential strategic partners and traditional financiers. Recent support from key institutional shareholders and strategic partners, current market conditions and an encouraging outlook for the global gold market enhance the Company's view of the fundability of the Gruyere Project. The Board is confident the Company will be able to finance the Gruyere Project through a combination of debt and equity or strategic partnerships.
- (r) Gold Road Board and Management team includes Executive Chairman, Mr Ian Murray a qualified Chartered Accountant and mining industry professional with more than 16 years international corporate and mining experience, Executive Director Mr Justin Osborne a geologist with more than 25 years exploration, mining, development and corporate experience, and Non-Executive Director Mr Tim Netscher who has extensive mining operational, project development and business development experience primarily with the larger international mining companies. In addition Gold Road's Business Development team consists of Mr Gordon Murray and Mr Asam Shaibu who are both mining engineers with a combined 34 years of mine planning and operations experience between them. The Board and Management are well qualified and experienced to deal with any funding and project development challenges as they occur. In addition, the current state of the mining professional labour market is such that expert specialist input, when required, is readily available in Western Australia and can be sourced by Gold Road on a part-time or full-time basis.
- (s) The Study is based on the assumption that all gold produced will be refined at and sold to the Perth Mint, a statutory authority of the Government of Western Australia. The Perth Mint refines almost all gold ore bars produced in Western Australia. The gold market is a highly liquid international market with no need for offtake agreements.
- (t) All material assumptions on which the forecast financial information is based have been included in the announcement.

In this report the term "mining inventory" is used to report that part of the Mineral Resource that has been considered in the Scoping Study. The mining inventory does not meet the requirements of an Ore Reserve as defined under the 2012 edition of the JORC Code and should not be considered an Ore Reserve. There is no certainty that all or any part of the mining inventory will be converted into Ore Reserves.

PREVIOUSLY REPORTED INFORMATION

This announcement includes information that relates to Mineral Resources and exploration results which were prepared and first disclosed under the JORC Code 2012. This information was included in the Company's previous announcements as follows:

- ASX announcement dated 4 August 2014;
- ASX announcement dated 15 October 2014; and
- ASX announcement dated 20 January 2015.

These announcements are available at the Company's website www.goldroad.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

APPENDIX 2: PROFESSIONAL CONTRIBUTORS TO STUDY

The Study was managed by Gold Road with a number of high quality consultants contributing to the Study including:

Dempers and Seymour	Geotechnical Engineering
MBS Environmental	Environmental Surveys
Pennington Scott	Hydrology
Coffey Mining	Tailings Storage Facility
Terry Weston	Metallurgical Studies
GR Engineering Services	Process Plant and associated infrastructure
KPMG	Operational Readiness
ALS Metallurgical Laboratories	Sample Analysis

APPENDIX 3: COMPETENT PERSONS

The information in this announcement that relates to Process Plant Design is based on information compiled or reviewed by Mr Stewart Findlay of GR Engineering Services Limited. Mr Findlay is a Member of the Australasian Institute of Mining and Metallurgy. Mr Findlay has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Findlay consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Geotechnical Engineering Estimates is based on information compiled Mr Gary Dempers of Dempers and Seymour Pty Ltd. Mr Dempers is a Member of the Australasian Institute of Mining and Metallurgy. Mr Dempers has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dempers consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the mining schedule and estimated mine operating costs is based on information compiled or reviewed by Mr Gordon Murray who is a Member of the Australasian Institute of Mining and Metallurgy (Member Number 100900). Mr Murray is a full-time employee of Gold Road Resources Limited as well as a shareholder and share option holder in the Company. Mr Murray has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Murray consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

APPENDIX 4: GEOTECHNICAL ASSESSMENT FOR GRUYERE OPEN PIT MINE DEVELOPMENT

The geotechnical assessment was conducted by Dempers and Seymour Pty Ltd. Based on the Mining Rock Mass Model (**MRMM**), nine geotechnical domains were defined for the Gruyere deposit.

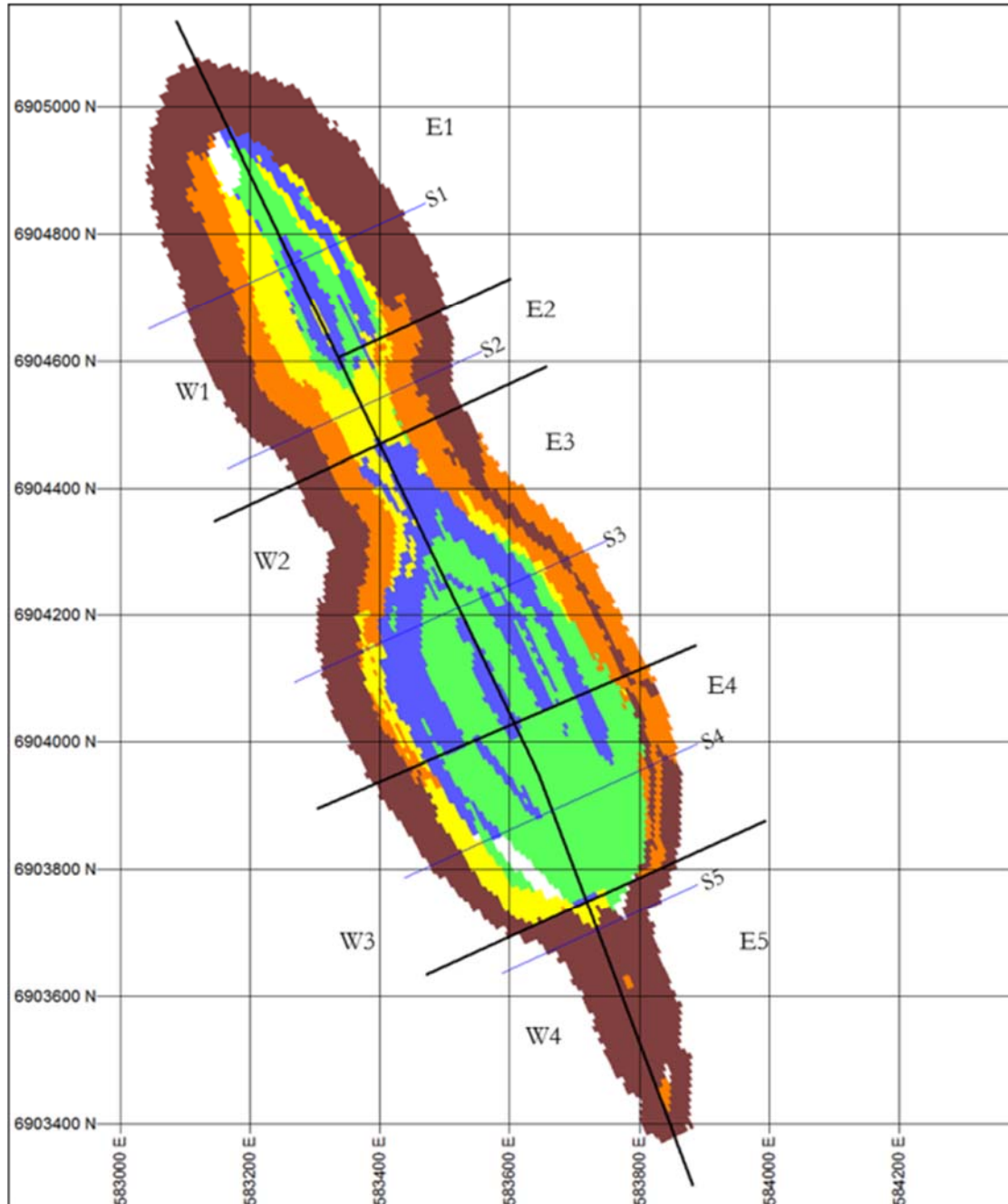


Figure 5: Mining Rock Mass Model showing nine geotechnical domains

Recommended pit slope design configurations excluding haul ramps for each geotechnical domain are given in Table 6 below.

Table 6: Pit slope design configurations

Domain	From mRL	To mRL	Inter Ramp Slope Angle
W1	Surface	320	32°
	320	280	47°
	280	230	55°
W2	Surface	360	40°
	360	320	47°
	320	200	55°
W3	Surface	360	40°
	360	320	47°
	320	200	57°
W4	Surface	350	35°

Domain	From mRL	To mRL	Inter Ramp Slope Angle
E1	Surface	320	32°
	320	230	55°
E2	Surface	320	40°
	320	280	50°
E3	Surface	360	40°
	360	200	55°
E4	Surface	360	40°
	360	200	57°
E5	Surface	350	35°

The recommended pit slope design is based on current available drill hole information. Further geotechnical work will be required to confirm the inter ramp slope angles and determine the bench configuration for detailed mine design during subsequent phases of study. Future work will include:

- drilling of targeted holes (RC and diamond) into the west and east walls of the proposed pit and interpolated fault structures
- conducting geotechnical rock mass and structural logging for the new holes (combination of televiewer surveys and drill core)
- laboratory testing of selected drill core samples to determine rock properties for the rock mass
- update the MRMM with the new data
- conducting rigorous pit slope design using deterministic and probabilistic methods incorporating the MRMM, kinematic analyses, limit equilibrium analyses and numerical modelling

APPENDIX 5: CAPITAL COSTS

Capital cost estimates have been determined to -10% / +35% accuracy and include pre-development mining costs, 8% contingency for the process plant and infrastructure, and a 15% contingency for other areas.

Pre-production capital costs for the Project are estimated at **A\$360 million**. Construction of the processing plant, Tailings Storage Facility plus systems and infrastructure are estimated to cost A\$190, \$13 and A\$85 million respectively. The capital expenditure estimate for the process plant makes allowance for owners' costs, including personnel, approvals, first fills, maintenance spares and mobile equipment. The estimate for Systems and Infrastructure includes A\$15 million for Systems and A\$70 million for a permanent estimated 250 person camp, temporary facilities, roads and earthworks, surface buildings, airstrip, communications, fuel storage facilities, light vehicles, water storage and bore field infrastructure. These costs fall within the range of recently reported costs for projects of a similar type and scale in Western Australia.

Pre-development costs for mining at Central Bore and Gruyere are estimated at A\$72 million.

The process plant is proposed to be constructed under an Engineering, Procurement and Construction arrangement. Capital costs have been estimated using a combination of quotes, for large capital plant, and historical costs from recent database records.

Capital costs excludes the cost of the PFS (estimated to be A\$4million, not including drilling).

Table 7: Summary of Capital Costs (errors may occur due to rounding)

Area	Base Cost A\$ million
Process Plant and Infrastructure	
Process Plant	190
Tailings Storage Facility	13
Systems and Infrastructure	85
Total Plant and Infrastructure Sub-Total	288
Mining Pre-Development	
Gruyere Mining (including pre-stripping)	52
Central Bore (including site and u/g capital development)	20
Mining Pre-Development Sub-Total	72
Project Total	360

Notes: Contingency on Process Plant and Infrastructure at 8%. Contingency on Mining and Other Costs at 15%.

APPENDIX 6: SUMMARY OF MAJOR EQUIPMENT AND DESIGN CAPACITIES

Summary of Major Equipment and Design Capacity incorporated into the Study. This equipment list is expected to change and become further refined as the project progresses through the next stages of Study.

Area and item	Units	Process Design Criteria
Primary crushing:		
Type		open circuit gyratory
Primary crusher size - Metso	model	42 - 65
Operating time	hr/year	5,694
Dry solids rate	tonnes/hr	900
Secondary crushing:		
Type		cone crusher
Secondary crusher size - Nordberg	series/model	MP800
Operating time	hr/year	5,694
Dry solids rate	tonnes/hr	900
Grinding & classification:		
Operating time	hr/year	8,000
Dry solids rate	tonnes/hr	625
Design grind P ₈₀	µm	106
Primary Ball mill size		6.2 mD x 11.5 mL, 7.5 MW
Secondary Ball mill size		6.2 mD x 11.5 mL, 7.5 MW
Pre-Leach thickener diameter	m	32
Leach & Adsorption:		
Total residence time	hr	23
Design tank volume each (leach)	m ³	4,200
Design tank volume (adsorption)	m ³	3,600
Number of leach tanks		1
Number of adsorption tanks		6
Elution:		
Type		split AARL
Batch size	t carbon	18