

# DRILLING CAMPAIGN MARKS START OF A\$30M GREENFIELDS EXPLORATION SPEND IN 2017

## Highlights

- **Prioritised A\$30 million<sup>1</sup> 2017 Yamarna Greenfields exploration programme commenced**
- **47 ranked targets for bedrock and early stage testing identified through detailed exploration review during field season break**
- **Diamond drilling commenced at high priority bedrock target at the Corkwood Camp on North Yamarna**
- **Deep diamond drilling testing Gruyere underground potential to commence in first week of March on Gruyere Joint Venture**
- **Early stage drilling programmes to commence on South Yamarna Joint Venture in June 2017 quarter**

Gold Road Resources Limited (**Gold Road** or the **Company**) is pleased to announce the commencement of diamond drilling at its high priority target Ibanez Prospect on the Pacific Dunes-Corkwood Camp Scale Target, within its 100% owned North Yamarna tenements (Figure 1). This signals the start of activity as part of the prioritised A\$30 million greenfields exploration budget for 2017.

Gold Road Executive Director – Exploration & Growth Justin Osborne said: *“Gold Road has recently added considerable Yilgarn experience to its successful team behind the Gruyere discovery, who will be working together on this 2017 exploration campaign. We now have some of the most proven geological minds in the Australian gold exploration sector planning and executing this exciting greenfields exploration programme on our high-quality ground within the proven Yamarna Greenstone Belt.”*

*“We have committed substantial time in the preparation and planning for our upcoming drill programmes to ensure our A\$22 million contribution to the A\$30 million 2017 budget is spent both efficiently and effectively. By implementing this well considered and prioritised exploration programme we have confidence that we will be drilling in the right places to maximise the chance of making the significant gold discoveries we believe remain within the Yamarna tenements.”*

*“Given the increased funding resources available to us post the Gruyere Joint Venture, the opportunity to accelerate this programme at Yamarna is an exciting one, and one that hopefully provides our shareholders with a more immediate exposure to the upside Yamarna has to offer much earlier than we had previously planned.”*

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<sup>1</sup> A\$30 million on 100% basis of which Gold Road will contribute A\$22 million.

ASX Code GOR

ABN 13 109 289 527

### COMPANY DIRECTORS

Tim Netscher

**Chairman**

Ian Murray

**Managing Director & CEO**

Justin Osborne

**Executive Director,  
Exploration & Growth**

Martin Pyle

**Non-Executive Director**

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Kevin Hart

**Company Secretary**

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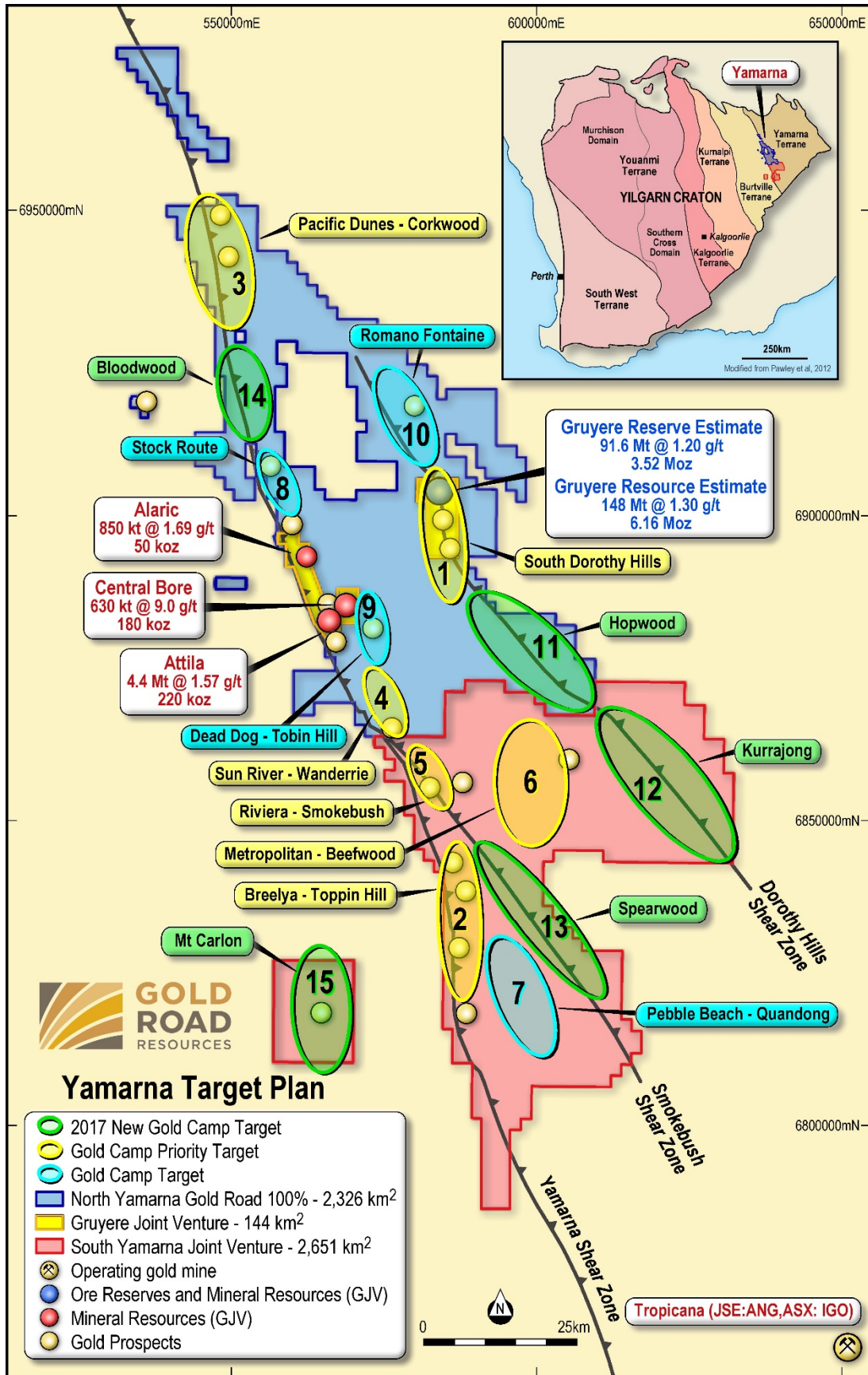


Figure 1: Previous and new Yamarna Camp Scale Target areas and location of 100% North Yamarna, 50% Gruyere JV and 50% South Yamarna JV tenements with Mineral Resources and Ore Reserves on a Gruyere JV 100% basis (Gold Road 50%)

# 2017 Exploration Programme

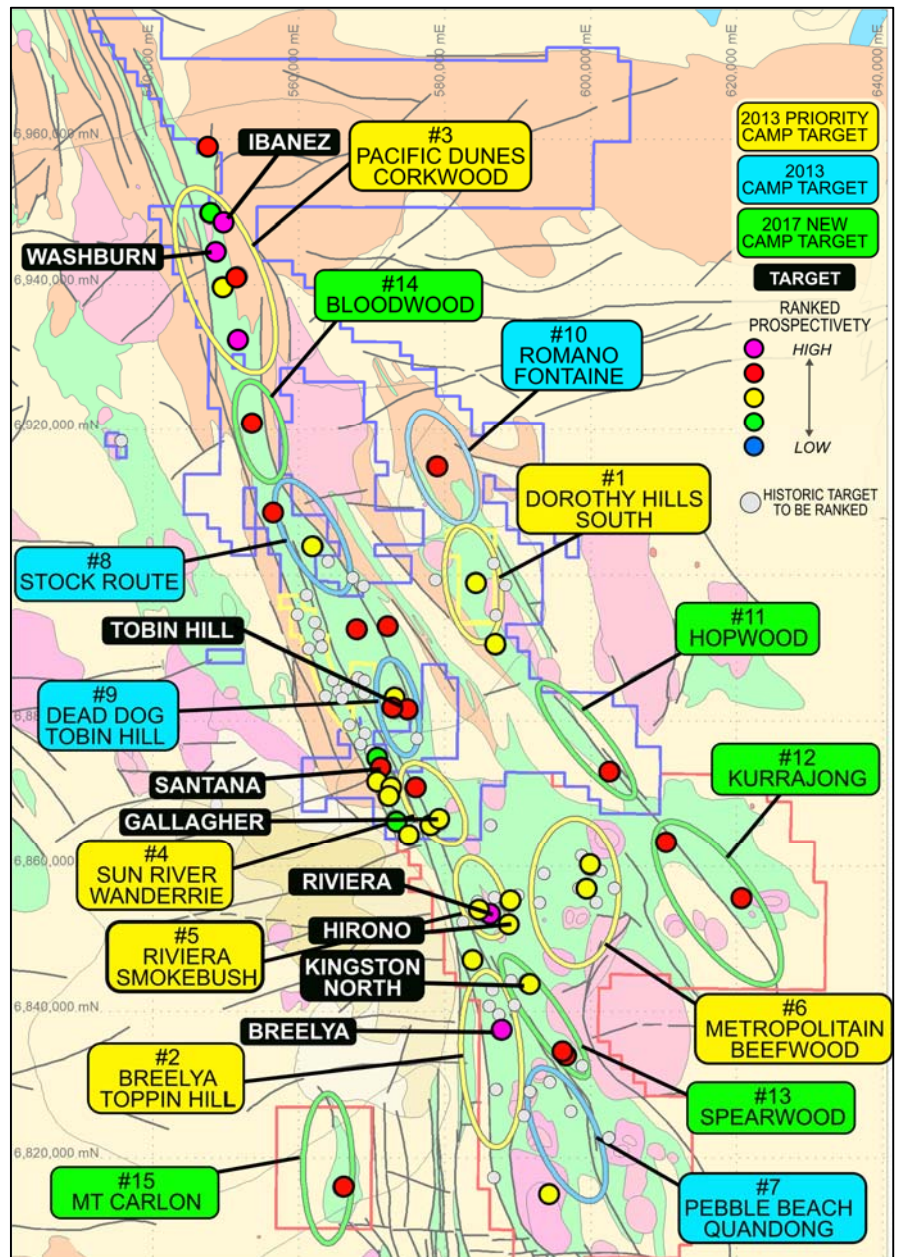
## Exploration Review and Ranking

During the summer field season break Gold Road’s experienced geological team completed a detailed review of all existing exploration data across its entire 5,000km<sup>2</sup> tenement package on the Yamarna Greenstone Belt. The detailed review has generated a list of **47 priority ranked targets** (Figure 2) for follow-up, including:

- **Five** new Camp Scale Targets
- **Thirty-one** Targets for bedrock testing
- **Four** advanced Targets for framework drilling.

The list of objectively ranked and prioritised targets ensures the 2017 exploration budget is applied in a methodical and efficient manner, reflecting the Company’s previously successful exploration strategies.

Gold Road’s previous regional exploration strategy resulted in the Company identifying 10 initial Camp Scale Targets (Figure 1) through the cost effective use of aeromagnetic and gravity surveying techniques, with the first of those targets tested through reconnaissance drilling campaigns before being prioritised for follow-up reverse circulation leading to the discovery of Gruyere in 2013. Reconnaissance drilling has since been completed on only three camps at North Yamarna and three camps at South Yamarna. With the additional three years’ worth of detailed drilling information and knowledge gained from the Gruyere discovery, five new Camp Scale Targets have been identified, along with a portfolio of drill ready highly-ranked bedrock targets.



**Figure 2:** Simplified geological map of Yamarna showing location of top 47 targets ranked by prospectivity with high priority targets labelled. Camp Scale Targets and lease boundaries also shown

## Exploration Budget

Allocation of the total A\$30 million exploration spend for the 2017 drilling programmes focusses on the highest ranked bedrock and early stage targets (Figure 3). The budget has been allocated to:

- North Yamarna Regional - **A\$15 million** (100%)
- Gruyere Joint Venture - **A\$11 million** (50% Gold Road – A\$5.5 million)
- South Yamarna Joint Venture Regional - **A\$3.3 million** (50% Gold Road – A\$1.65 million).

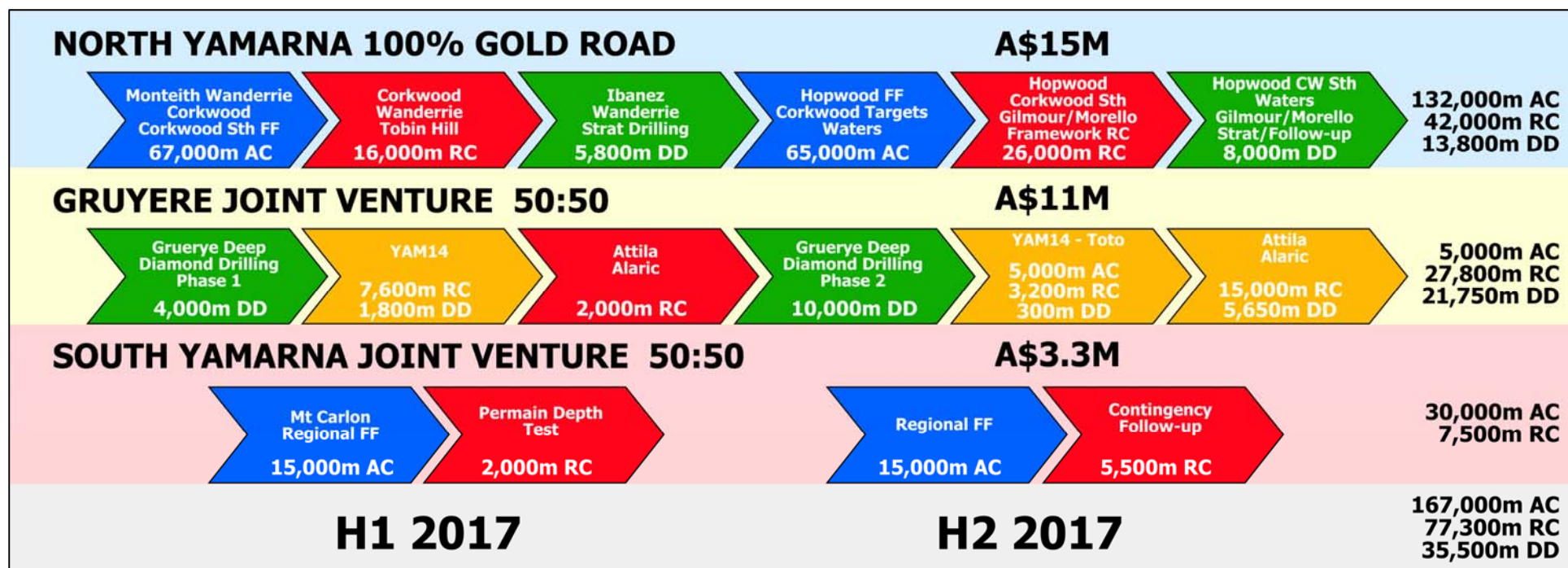


Figure 3: Budgeted drill plan of prospects to be tested at Yamarna during 2017 (AC = Aircore, RC = Reverse Circulation, DD = Diamond Drilling)

## North Yamarna (100% owned)

The exploration programme at North Yamarna has a two-prong focus on bedrock drill testing of identified prospects, and early stage regional evaluation of Camp Scale Targets and aircore anomalies. Bedrock diamond drill testing has already commenced at the Company's highest priority target at the Ibanez Prospect within the Pacific Dunes-Corkwood Camp Scale Target. Other priorities include follow-up drilling on the Santana Prospect within the Sun River-Wanderrie Camp Scale Target and infill aircore drilling at the Monteith Prospect within the South Dorothy Hills Camp Scale Target. Full field aircore programmes at the Corkwood South and Hopwood Camp Scale Targets are planned to be tested in 2017, with the Romano and Bloodwood Camp Scale Targets to be tested in the following year.

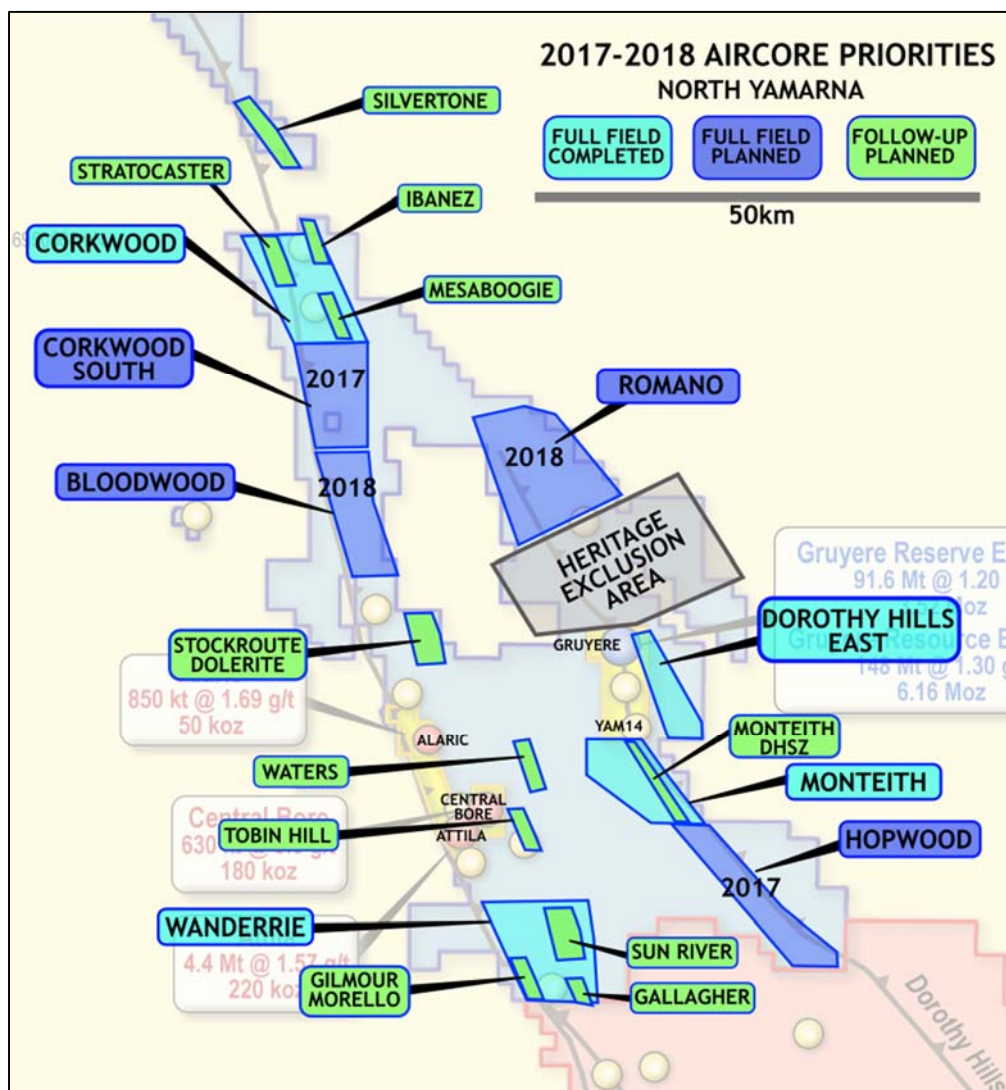


Figure 4: Map showing 2017 early stage drilling priorities at North Yamarna

## Gruyere Joint Venture (50% owned)

Exploration on the Gruyere Joint Venture (50:50 joint venture with Gold Fields Limited) will commence in early March with a A\$4 million programme of deep diamond drilling at Gruyere. This work follows on from previous conceptual underground studies that have identified economic potential below the current open pit mine design. Other programmes during the year will focus on resource extensions and definition at Attila (open pit) and Alaric (open pit and underground) followed by potential pre-feasibility level Ore Reserve additions. A maiden open pit Mineral Resource potential at YAM14 will also be assessed as well as the regional potential of the Attila-Alaric trend and the Toto area between Gruyere and YAM14.

## South Yamarna Joint Venture (50% owned)

Exploration on the South Yamarna Joint Venture with Sumitomo Metal Mining Oceania will focus on early stage evaluation of the Mt Carlon, Spearwood and Kurrajong Camp Scale Targets. Full field regional aircore drilling is currently scheduled to commence in the June 2017 quarter. It is expected follow up drilling from these programmes will occur in the second half of 2017. Prospective aircore anomalies identified late in 2016 at Kingston North and Yaffler South are being assessed for more immediate follow-up bedrock drilling.



Figure 5: Map showing 2017 early stage drilling priorities at South Yamarna JV

For further information, please visit [www.goldroad.com.au](http://www.goldroad.com.au) or contact:

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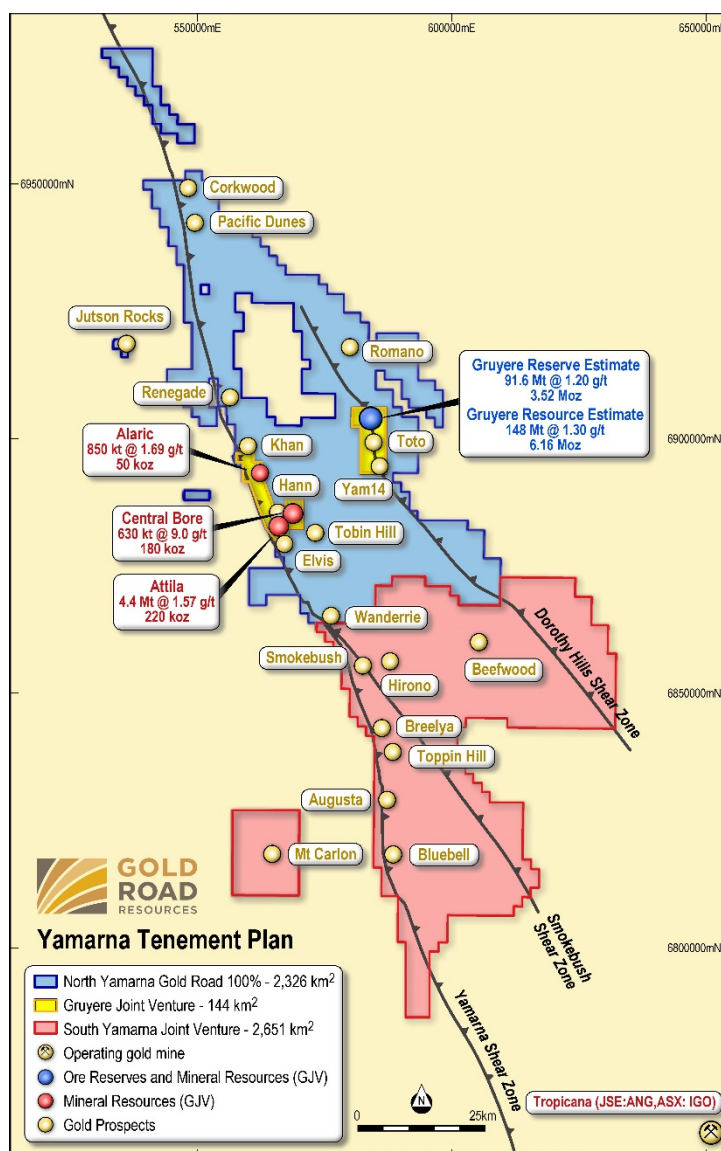
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## About Gold Road

Gold Road is pioneering development of Australia’s newest goldfield, the Yamarna Belt, 200 kilometres east of Laverton in Western Australia. The Company holds interests in tenements covering 5,000 square kilometres in the region, which is historically underexplored and highly prospective for gold mineralisation. The Yamarna leases contain a gold resource of 6.6 million ounces, including 6.2 million ounces at the Gruyere deposit, of which the Company owns 50%.

The Feasibility Study for Gruyere, which was completed in October 2016, indicated the Project’s 3.5 million ounce Reserve could support average annualised production of 270,000 ounces for 13 years (ASX announcement dated 19 October 2016). In November 2016, Gold Road entered into a 50:50 joint venture with Gold Fields Ltd for the Gruyere Gold Project, with commencement of Project construction in January 2017.

Gold Road continues to explore for similar-scale deposits on its 100%-owned North Yamarna tenements, its 50% owned Gruyere Project Joint Venture tenements (with Gold Fields Ltd) and its 50% owned South Yamarna Joint Venture tenements in conjunction with Sumitomo Metal Mining Oceania (a subsidiary of Sumitomo Metal Mining Co. Limited).



Yamarna simplified Tenement Map with Mineral Resources and Ore Reserves on a Gruyere Project 100% basis (Gold Road 50%)

## Competent Persons Statements

The information in this report which relates to Exploration Results or Mineral Resources is based on information compiled by Mr Justin Osborne. The information in this report which relates to Exploration Results is based on information compiled by Mr Justin Osborne, Executive Director for Gold Road. Mr Osborne is an employee of Gold Road, as well as a shareholder and share option holder, and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne has 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 a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Osborne consents to the inclusion in the report of the matters based on this information in the form and context in which it appears

### Mineral Resources

The information in this report that relates to the Mineral Resource Estimation for **Gruyere** is based on information compiled by Mr Justin Osborne, Executive Director – Exploration and Growth for Gold Road and Mr John Donaldson, Geology Manager for Gold Road.

The information in this report that relates to the Mineral Resource Estimation for **Attila Trend** is based on information compiled by Mr Justin Osborne, Executive Director for Gold Road, Mr John Donaldson, Geology Manager for Gold Road and Mrs Jane Levett, Senior Resource Geologist for Gold Road.

- **Mr Justin Osborne** is an employee of Gold Road, as well as a shareholder and share option holder, and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333)
- **Mr John Donaldson** is an employee of Gold Road as well as a shareholder, and is a Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist (MAIG RPGeo Mining 10147)
- **Mrs Jane Levett** is an employee of Gold Road, and is a Member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (MAusIMM CP 112232)

Messrs Osborne and Donaldson and Mrs Levett 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". Messrs Osborne and Donaldson and Mrs Levett 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 **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.

### Ore Reserves

The information in this report that relates to the Ore Reserve for **Gruyere** is based on information compiled by David Varcoe. **Mr David Varcoe** is an employee of AMC Consultants and is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM).

Mr Varcoe 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 Varcoe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

### New Information or Data

Gold Road 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 and Ore Reserves 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 changes from the original market announcement.



## Mineral Resource Estimate for the Yamarna Leases

Project Name / Category	Gruyere Project Joint Venture 100% basis			Gold Road 50%		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
<b>Gruyere Total (0.5 g/t Au)</b>	<b>147.71</b>	<b>1.30</b>	<b>6.16</b>	<b>73.85</b>	<b>1.30</b>	<b>3.08</b>
Measured	13.86	1.18	0.53	6.93	1.18	0.26
Indicated	91.12	1.29	3.79	45.56	1.29	1.89
Inferred	42.73	1.35	1.85	21.36	1.35	0.92
<b>Central Bore Total (1.0 g/t Au)</b>	<b>0.63</b>	<b>9.02</b>	<b>0.18</b>	<b>0.32</b>	<b>9.02</b>	<b>0.09</b>
Measured	0.04	26.55	0.04	0.02	26.55	0.02
Indicated	0.40	9.01	0.12	0.20	9.01	0.06
Inferred	0.19	5.04	0.03	0.09	5.04	0.02
<b>Attila Trend Total (0.7 g/t Au)</b>	<b>5.30</b>	<b>1.59</b>	<b>0.27</b>	<b>2.65</b>	<b>1.59</b>	<b>0.14</b>
Measured	0.66	1.96	0.04	0.33	1.96	0.02
Indicated	3.85	1.52	0.19	1.93	1.52	0.09
Inferred	0.79	1.59	0.04	0.39	1.59	0.02
<b>Total</b>	<b>153.64</b>	<b>1.34</b>	<b>6.61</b>	<b>76.82</b>	<b>1.34</b>	<b>3.31</b>
Measured	14.57	1.29	0.60	7.28	1.29	0.30
Indicated	95.37	1.33	4.09	47.69	1.33	2.05
Inferred	43.70	1.37	1.92	21.85	1.37	0.96

### Notes:

- All Mineral Resources are completed in accordance with the 2012 JORC Code
- The Gruyere Project Joint Venture is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd.
- Gruyere Mineral Resource reported at 0.5 g/t Au cut-off, constrained within an A\$1,700/oz Au optimised pit shell based on mining and processing parameters from the PFS and geotechnical parameters from the previous Mineral Resource estimate (ASX announcement dated 22 April 2016)
- Central Bore Mineral Resource reported at 1.0 g/t Au cut-off (2014 Annual Report)
- Attila Trend (Attila and Alaric) Mineral Resource reported at 0.7 g/t Au cut-off, constrained within an A\$1,600/oz Au optimised pit shell (ASX announcement dated 16 September 2015)
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding
- Mineral Resources are inclusive of Ore Reserves

## Ore Reserve Statement for the Gruyere Project

Category	Gruyere Project Joint Venture 100% basis			Gold Road 50%		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
<b>Total</b>	<b>91.57</b>	<b>1.20</b>	<b>3.52</b>	<b>45.78</b>	<b>1.20</b>	<b>1.76</b>
Proved	14.87	1.09	0.52	7.44	1.09	0.26
Probable	76.70	1.22	3.00	38.35	1.22	1.50

### Notes:

- The Ore Reserve is completed in accordance with the 2012 JORC Code
- The Gruyere Project Joint Venture is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd
- Gold Road holds an uncapped 1.5% net smelter return royalty on Gold Fields Ltd's share of production from the Gruyere Project Joint Venture once total gold production exceeds 2 million ounces
- The Ore Reserve is evaluated using a gold price of A\$1,500/oz (ASX announcement dated 19 October 2016)
- The Ore Reserve is evaluated using variable cut off grades: Oxide 0.35 g/t Au, Transitional 0.39 g/t Au and Fresh 0.43 g/t Au
- Ore block tonnage dilution averages 3.2%; Ore block gold loss is estimated at 1.4%
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding