

# UNLOCKING THE **POTENTIAL**

**Back to Our Roots – Self Funded Explorer: 2017 and Beyond**

RIU Explorers Conference – Fremantle – 22 February 2017 – Clayton Davy's Exploration Manager

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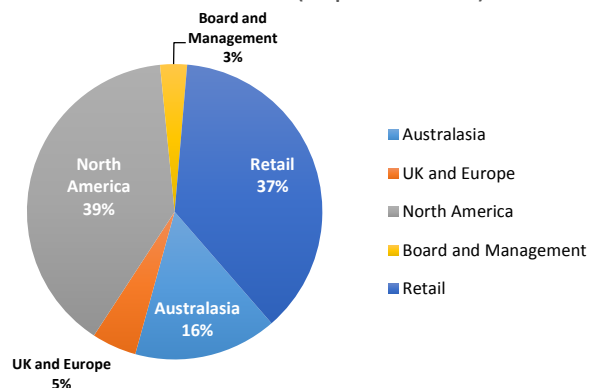
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# Corporate Summary



## Shareholder Base (Top 20 = 60%)



### Substantial Shareholders:

- RCF ~10%
- Sun Valley Gold ~8%
- Mason Hill/Equinox ~7%

### Research:

- RBC
- Morgan Stanley
- Haywood Securities
- Macquarie
- Canaccord
- Argonaut
- Bell Potter

## Gold Road Board

Tim Netscher	Non-Executive Chairman
Ian Murray	Managing Director & CEO
Justin Osborne	Executive Director – Exploration & Growth
Martin Pyle	Non-Executive Director
Sharon Warburton	Non-Executive Director
Kevin Hart	Company Secretary

## Capital Structure

Issued Shares	871M <sup>1</sup>
Performance Rights	7.9M <sup>1</sup>
Unlisted Options	3.8M <sup>1</sup>
Market Cap	A\$496M <sup>1</sup> /US\$392M
Cash & Equivalents	A\$337M <sup>2</sup> /US\$259M

<sup>1</sup> As at 31 December 2016 (unaudited)

<sup>2</sup> As at 17 February 2017, based on last close price of A\$0.57 per share.

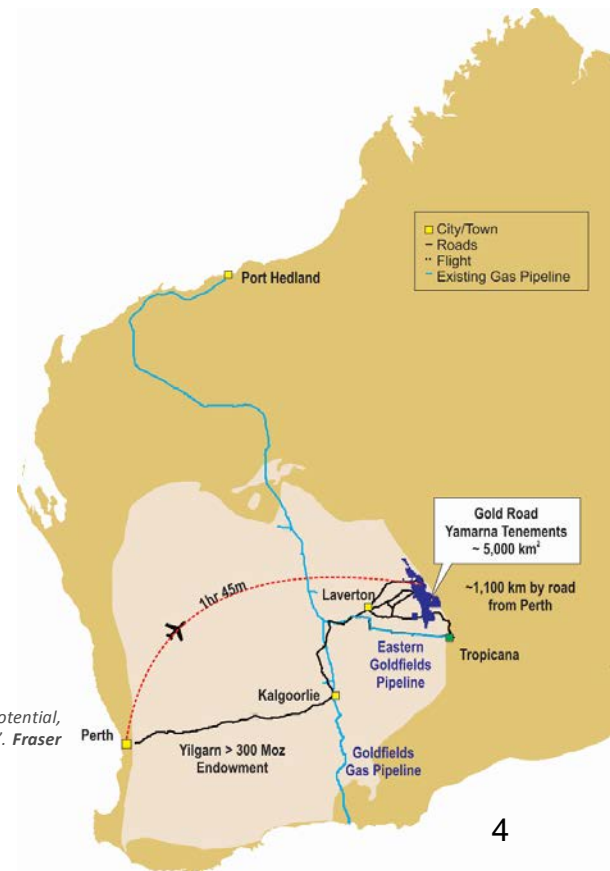
<sup>3</sup> Based on an exchange rate as at 17 February 2017 of A\$1:US\$0.77

# A World Class Gold Mine in the #1 Mining Jurisdiction<sup>1</sup>

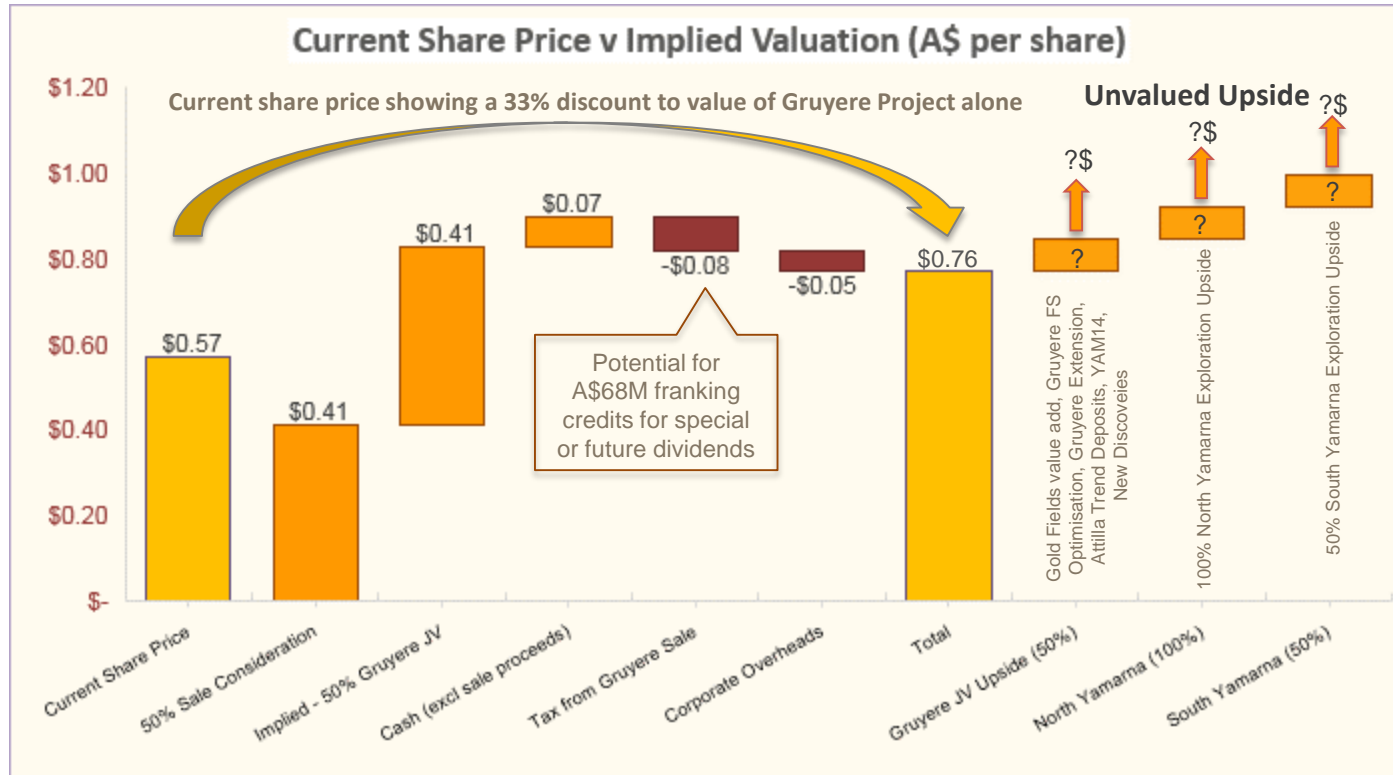
- 6,300 km<sup>2</sup> of highly prospective exploration tenements
- Joint Venture Partner in the Gruyere Gold Project
  - 6.16 Million Ounce total Gold Mineral Resource
  - 3.52 Million Ounce total Gold Ore Reserve
  - 13 year mine life at >270 koz per year
  - A\$945/oz (US\$690/oz<sup>2</sup>) AISC
- Fully funded through to production
- Extensive infrastructure being added to the region

<sup>1</sup>Western Australia ranks as the number one jurisdiction in the world for mining investment. In addition to being blessed with an abundance of mineral potential, miners give the jurisdiction's government credit for having transparent mining policies, a strong legal system, clear regulations and skilled labour force". *Fraser Institute Mining Survey 2015 - 9 June 2016*

<sup>2</sup> Exchange rate of A\$1.00:US\$0.73 as per Feasibility Study



# Current Share Price Significantly Undervalued



1. Number of shares is based on fully diluted shares of 882.7M shares.

2. **Current Share Price** is the closing share price on 17 February 2017.

3. **50% Sale Consideration** is consideration agreed by Gold Fields Limited, and includes A\$250M cash consideration, A\$100M deferred cash consideration (no discounting applied) and A\$15M for Gruyere JV Royalty (as announced by Gold Fields Limited for its 50% acquisition of Gruyere JV assets on 7 November 2016). For further details, refer to Gold Road's ASX announcement on 7 November 2016.

4. **Implied - 50% Gruyere JV** is based on the same assumptions for 50% Sale Consideration.

4. **Cash (excl sale proceeds)** is based on cash of A\$61M as at 31 January 2017 (unaudited), less sale proceeds and sale costs (excluding tax).

5. **Tax from Gruyere Sale** assumes full utilisation of A\$109M of tax losses as at 30 June 2016. Tax assessment for financial year 2016 has not been assessed by the Australian Tax Office.

6. **Corporate Overheads** based on consensus of 5 brokers who published the highest assumptions.

7. No value has been implied for Gruyere JV Upside (50%), North Yamarna exploration (100%) or South Yamarna exploration (50%).

# Future Exploration

- Total A\$30M Budget for 2017
- High margin Reserve focus for Gruyere JV
- Accelerate North Yamarna exploration
- Target 2 Moz deposits on South Yamarna JV
- Follow-up two years Regional testing
- Focus on discovery of standalone deposits

*Exploration Geologist Jordan Rogers  
inspecting drill core with Geology Manager  
John Donaldson*



# Gold Road: A Self Funded Exploration Company

- **Go-it-alone Scenario:**

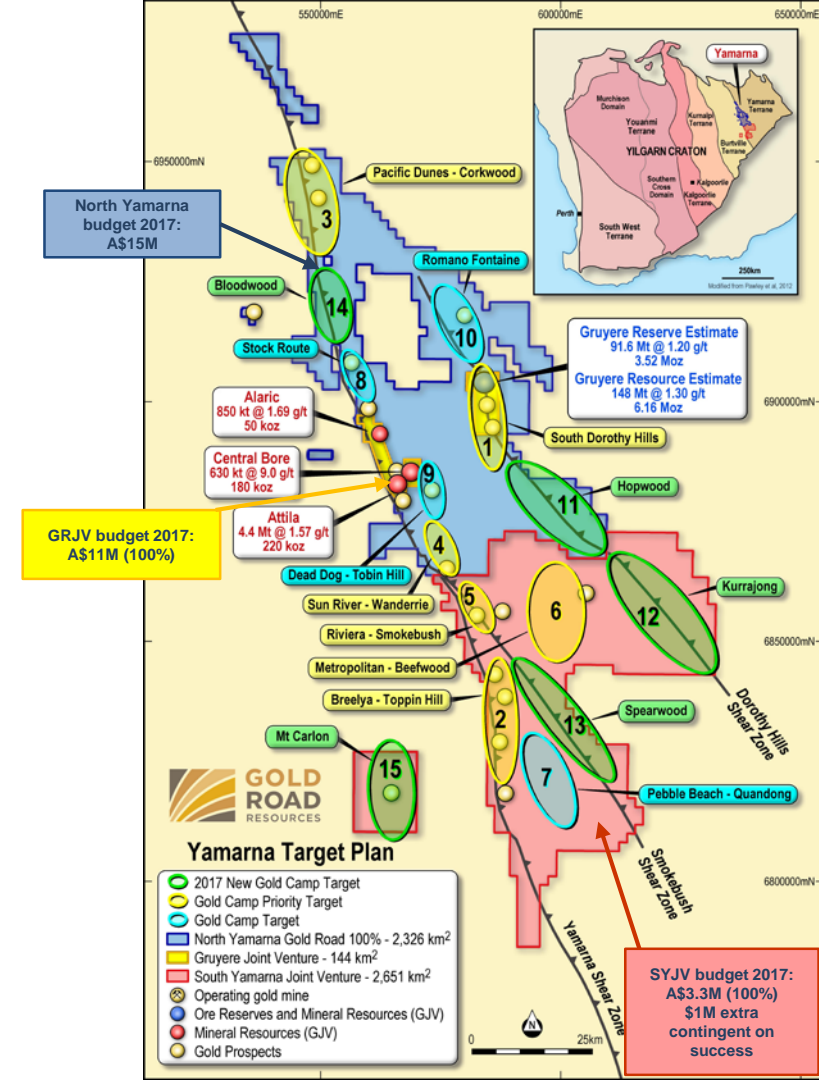
- All initial Gruyere revenue required to pay back debt
- Exploration required to be funded out of equity raisings
- ~2022 before Gruyere cash able to contribute to exploration

- **Gruyere Joint Venture Scenario:**

- Fast forward 4 - 5 years
- ~\$100M currently available outside GRJV construction commitments
- 50% Gruyere revenue will be available from first gold pour

# A\$30M Greenfields Budget

- Approx. A\$30M/US\$23M<sup>1</sup> spent on Gruyere in last 3 years
- **Largest Greenfields gold project in Australia**
- **2017 total exploration budget of A\$30M/US\$23M<sup>1</sup>**
  - A\$15M/US\$12M<sup>1</sup> on 100% Gold Road North Yamarna
  - A\$11M/US\$8M<sup>1</sup> on 50:50 Gruyere Joint Venture
  - A\$3.3M/US\$2.5M<sup>1</sup> on 50:50 South Yamarna Joint Venture
- North Yamarna – 100% Gold Road
  - Aggressive bed rock testing of prioritised targets
  - Infill aircore on priority anomalies
  - Targeting at least one major discovery in 2017
- Gruyere JV – High margin reserves and extend mine life
- South Yamarna JV – targeting >2 Moz under deeper cover
  - Regional aircore over southern Dorothy Hills extension
  - Aircore and RC testing of identified anomalies
  - Additional A\$1M available contingent on success from A\$3.3M

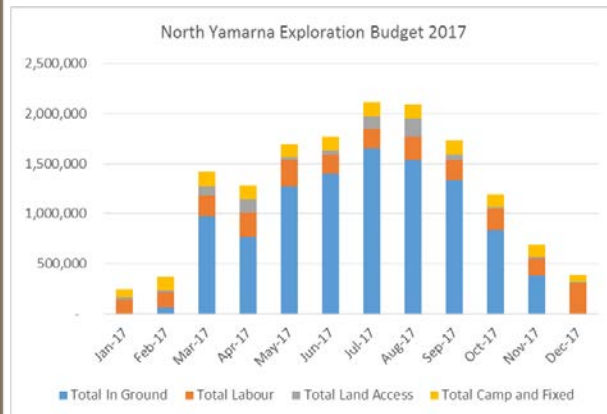


<sup>1</sup> Based on an exchange rate as at 17 February 2017 of A\$1:US\$0.77



# Dollars in the ground – Discoveries need drilling

## North Yamarna



Total Budget: A\$15M/US\$12M<sup>1</sup>

**68% In Ground expenditure**

13.8 km DD

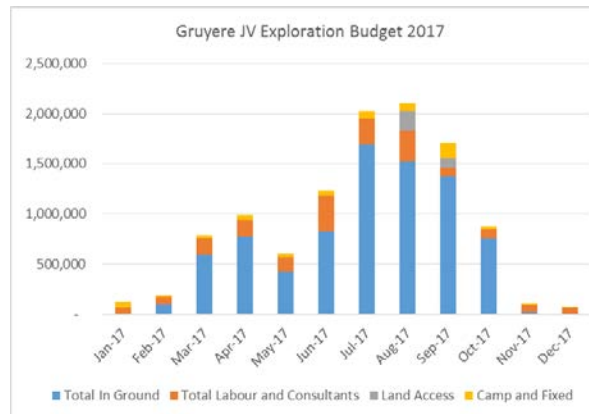
42.3 km RC

126.7 km AC

Total 182.8 km

High proportion of AC

## Gruyere JV



Total Budget: A\$11M/US\$8M<sup>1</sup>

**75% In Ground expenditure**

19.6 km DD

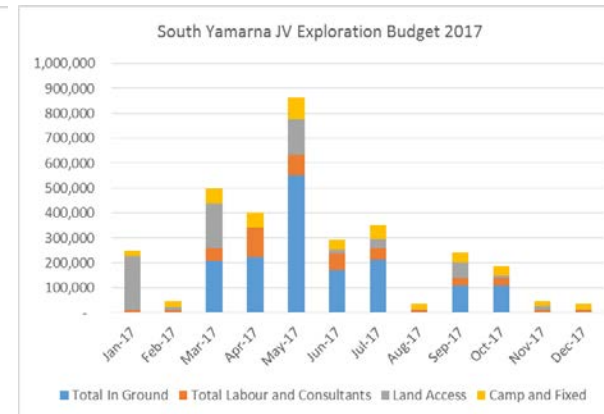
32.1 km RC

5 km AC

Total 56.7 km

High proportion of DD/RC

## South Yamarna JV



Total Budget: A\$3.3M/US\$2.5M<sup>1</sup>

**49% In Ground expenditure**

21% budget in Land Access

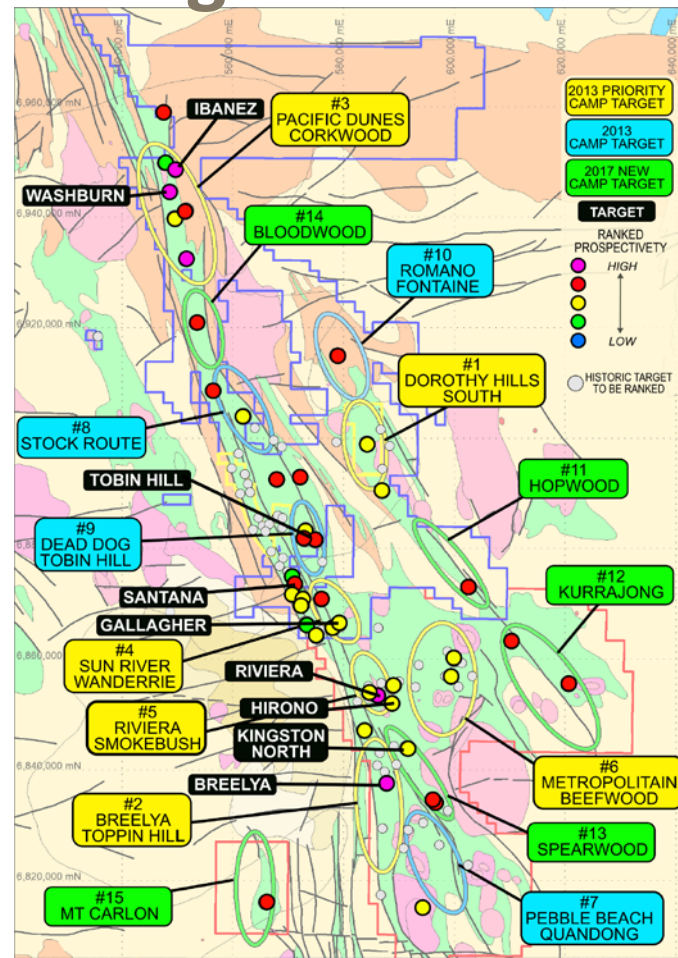
Total 36.6 km drilling

Additional A\$1.05M available  
(additional 3 km DD)

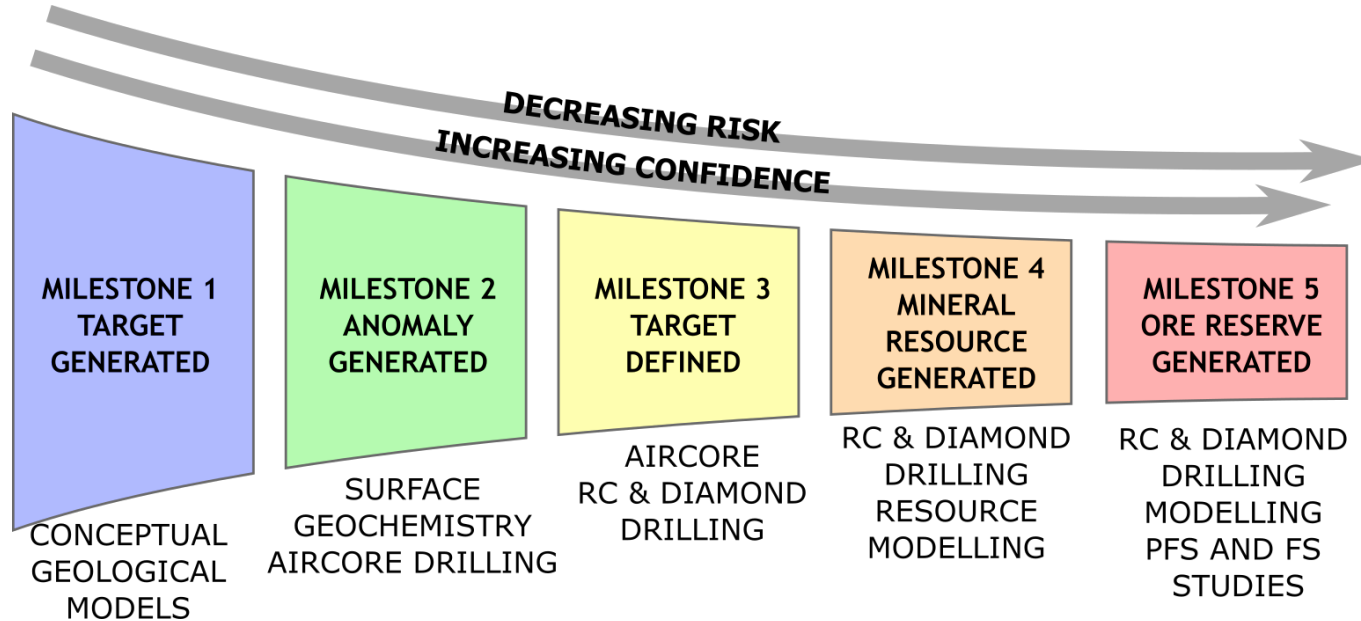
<sup>1</sup> Based on an exchange rate as at 17 February 2017 of A\$1:US\$0.77

# Improved geology yields improved targets

- 3 years of extensive data collection, drilling, knowledge
- Improved geological interpretation and understanding
- Improved targeting and prioritisation
- Developing a Target Management System
- In excess of 100 targets now identified
- 47 Targets fully assessed, ranked, prioritised
- Maintain focus on highest ranking targets and camps
- Continually revisit, re-rank, and re-prioritise based on data



# Maintaining the Pipeline



## Dual approach exploration strategy

1. Aggressive aircore drilling
  - Maintain early stage target pipeline
  - Full Field aircore testing of Camp Scale Targets
2. Bedrock testing of advanced targets
  - Identify and generate resources
  - Early diamond drilling

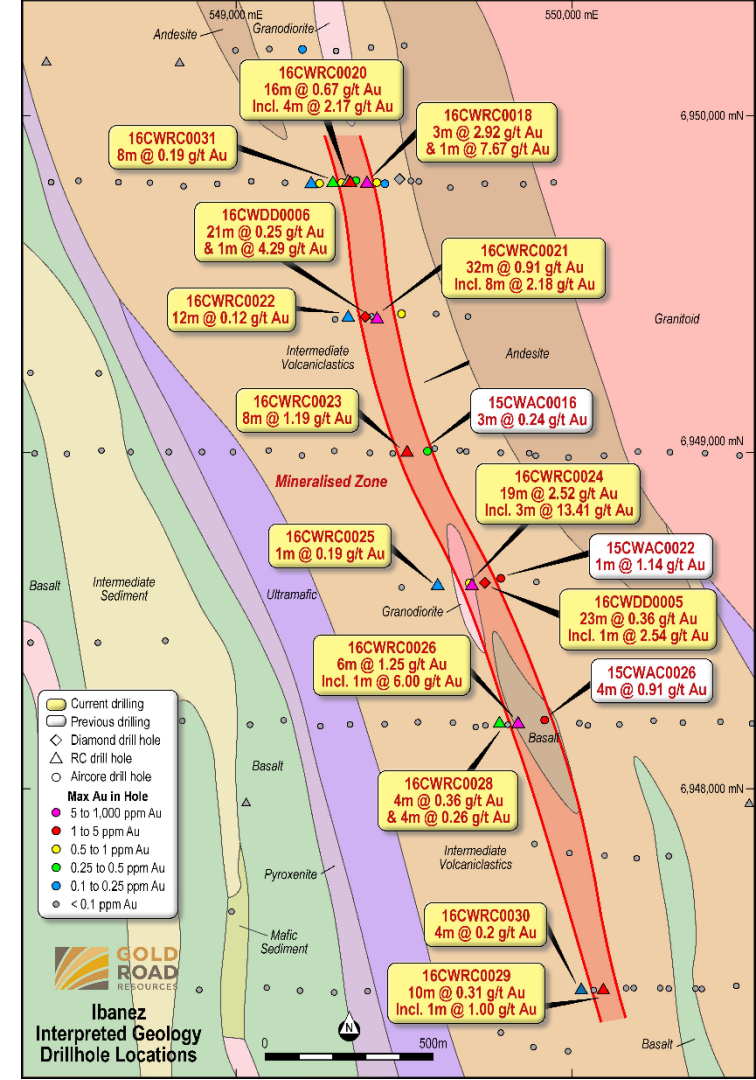
# North Yamarna Top 5

## Bedrock Testing Priority Targets

- Bedrock testing the highest priority targets
- Regularly update project priorities to focus on best targets
- Progress at least one target to Resource drilling in 2017

## Current Top 5 Targets ready for drilling

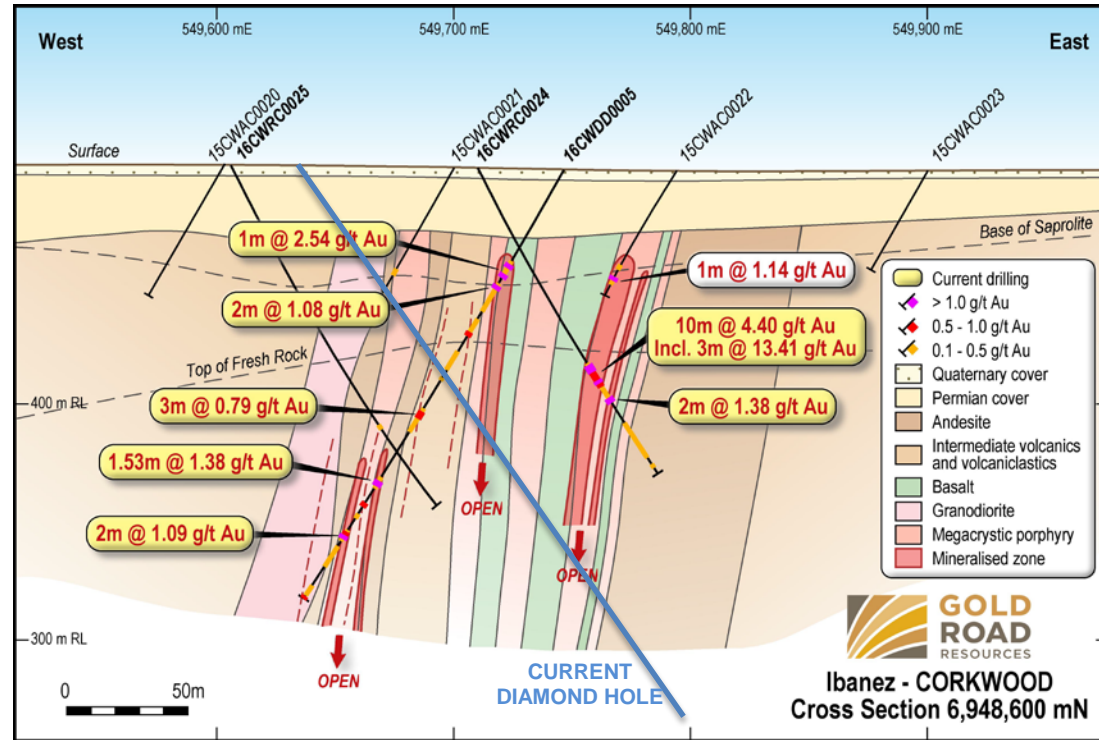
- Ibanez (Corkwood) (Figure to right)
  - Bedrock mineralisation defined over 2 km strike in broad RC-DD drilling
  - Multiple structures and prospective lithologies
- Washburn (Corkwood)
  - Multiple high grade structures in flexure around granite intrusive
- Santana (Wanderrie)
  - High-grade bedrock structure in Kundana-analogue geology
- Gallagher (Wanderrie)
  - Broad gold anomalism coincident with thick dolerite stratigraphy
- Dead Dog/Tobin Hill Camp
  - Multiple high priority early stage targets in favourable structural setting



# North Yamarna

## Bedrock Testing – Ibanez (Corkwood)

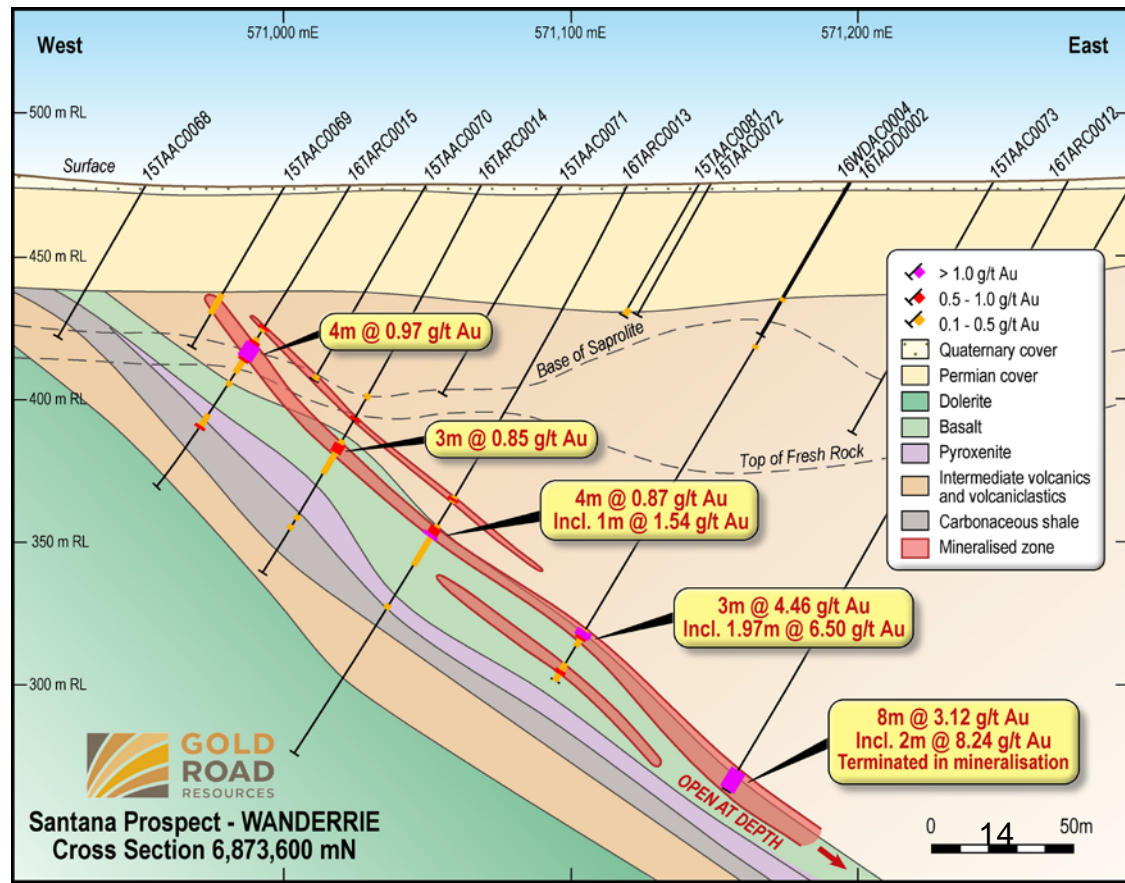
- Currently diamond testing beneath high-grade intersection
  - 10 m @ 4.40g/t Au
- Structurally and lithologically complex
- Gold occurs within all rock types
- Early diamond drilling to facilitate understanding



# North Yamarna

## Bedrock Testing – Santana (Wanderrie)

- Contact hosted gold continuous mineralisation
- Multiple mineralised shears
- Target intersection of structure with carbonaceous shale in footwall
- Leached saprolite
  - Regionally anomalies can be very subtle

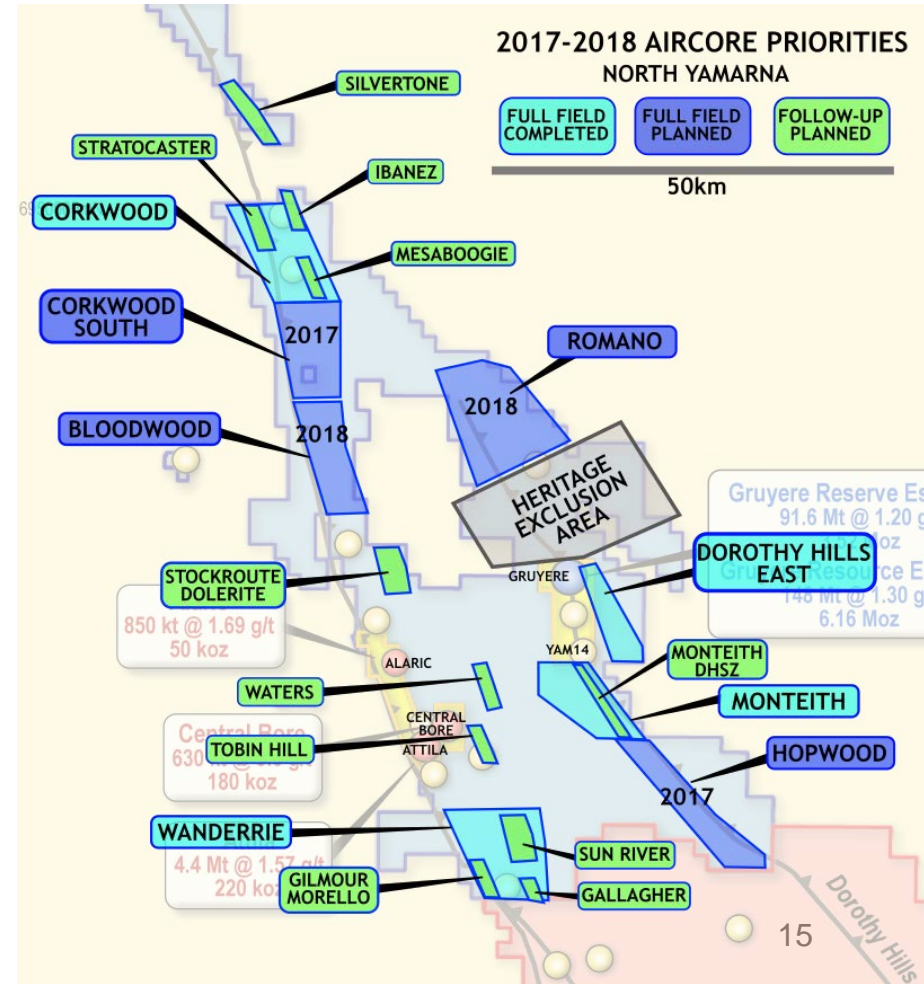




# North Yamarna Full Field Aircore

## Camp Scale Target Testing

- Full Field Aircore
  - Systematic aircore over all Camp Scale Targets by 2019
  - Near completed on 3 of 7 Camp Scale Targets
  - Reconnaissance framework on 2 camps in 2017
  - Finalise reconnaissance on remaining 2 camps in 2018
  - Continue infill of identified priority anomalies
  - Generate Bedrock Drill Targets – replenish the pipeline
- Aim: Identify footprint consistent with >1 Moz deposit



# South Yamarna 2017

## Reconnaissance over New Camps

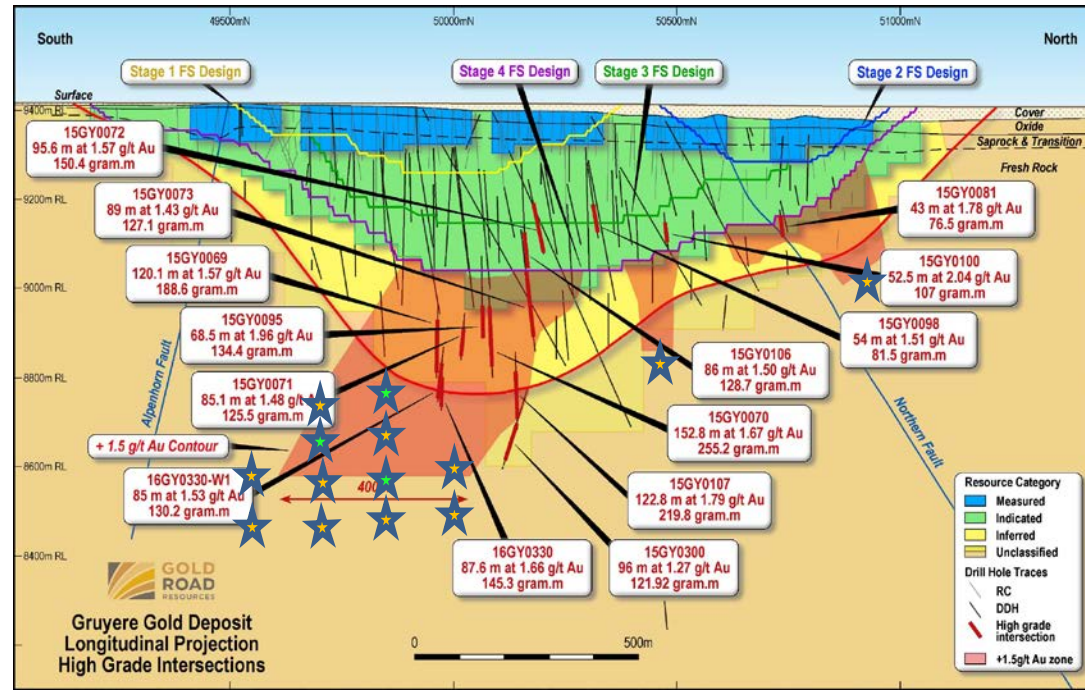
- Target Testing
  - Bedrock drilling into identified prospects
  - Confirm mineralisation below anomalies
- SYJV Top 3
  - Kingston North – 2.5 km aircore anomaly in structural complex
  - Yaffler South – 1.8 km aircore anomaly in shear corridor
  - Hirono – bedrock mineralisation in Gruyere style Porphyry
- Full Field Aircore
  - Systematic aircore over all Camp Scale Targets by 2019
  - Partial testing of 3 of 6 Camp Scale Targets
  - Complete reconnaissance framework on 2 camps in 2017
- Aim: Identify footprint consistent with 2 Moz deposit
- Aim: Framework drilling on at least one target





# Gruyere JV Exploration

- Diamond test of Gruyere UG extensions
- Completing PFS open pit studies at Attila and Alaric
  - Maiden reserves declared second half 2017
- Generate YAM 14 maiden resource



# Yamarna Exploration Score Sheet – January 2017

	North Yamarna							Gruyere JV			South Yamarna JV						
	Sun River - Wanderrrie	Pacific Dunes - Corkwood	Bloodwood	Romano	Tobin Hill	Hopwood	Stock Route	South Dorothy Hills	Attila Trend	Central Bore Trend	Riviera - Smokebush	Breelya - Toppin Hill	Metropolitan - Hirono	Spearwood	Bluebell	Mt Carlon	Kurrajong
Camp Scale Target Defined																	
Land Access Established																	
Local Targets Defined and Prioritised																	
Aircore Drilling																	
Anomalies Defined																	
Bedrock Tested																	
Stratigraphy Mapped																	
Prospects Defined																	
Re-targeted and Prioritised																	
Resource Discovery																	
Resereve Declaration																	
Project Development																	



Achieved



In progress

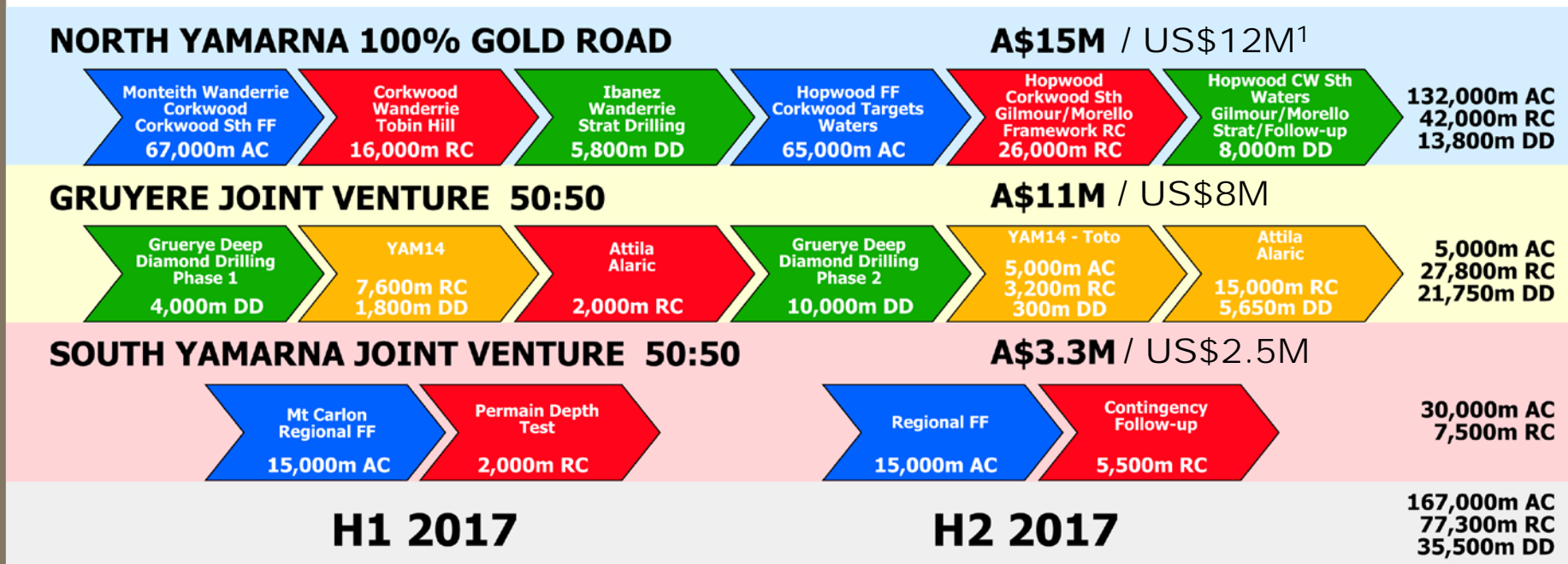


Not Started



Not Achieved

# 2017 Planned Exploration



<sup>1</sup> Based on an exchange rate as at 17 February 2017 of A\$1:US\$0.77

# The Gold Road Value Proposition

- Highly prospective exploration tenement
- Fully funded for A\$30M exploration programme
- Largest Greenfields Gold project in Australia
- Fully funded World class development project
- Near term low cost gold producer
- Self-sustaining funding potential
- Proven team capability
- Undervalued share price



Yamarna Exploration Camp – January 2017

# THANK YOU

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