

# **Quarterly Report**

For the period ending 30 June 2017

### HIGHLIGHTS

#### Yamarna Exploration

- North Yamarna (100%):
  - High priority Ibanez Target: Significant bedrock mineralisation intersected, with best hits of 10 metres at 28.67 g/t Au from 240 metres, including 2 metres at 136.57 g/t Au from 240 metres (17CWRC0037) from RC drilling
- Gruyere Joint Venture (50%):
  - Attila Open Pit Mineral Resource increased by 46% to 6.6 Mt at 1.55 g/t Au Carol Marinkovich for 327,300 ounces of gold
  - Alaric Open Pit Mineral Resource increased by 102% to 1.9 Mt at 1.51 g/t Au for 93,500 ounces of gold CONTACT DETAILS
  - **YAM14**:
    - RC drilling intersected thick high-grade mineralisation with a best West Perth WA 6005 intercept of 64 metres at 3.73 g/t Au from 79 metres, including 28 metres at 6.50 g/t Au from 79 metres, with 18 metres at 9.78 g/t Au T+61 8 9200 1600 from 87 metres, or 8 metres at 19.16 g/t Au from 90 metres (16DHRC0060)
    - Diamond drilling following up the RC programme returned a best intersection of 49.7 metres at 1.06 g/t Au from 87.5 metres, including 13.0 metres at 2.12 g/t Au from 116.7 metres (17DHDD0012)
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- South Yamarna Joint Venture (50%):
  - Yaffler South: RC drilling returned a best intersection of 10 metres at 1.06 g/t Au from 92 metres, including 6 metres at 1.53 g/t Au from 92 metres (17SYRC0105)

### Gruyere Gold Project

- Execution of A\$298 million EPC agreement with ACJV clears the way for work to commence on process plant and associated infrastructure
- A\$585 million Power Supply contract signed with APA Group to construct a gas pipeline and power station
- Installation of the 648 rooms at the Gruyere Village has been completed, full commissioning of all facilities expected in July 2017

### Corporate Update

- Gold Fields increases its holding in Gold Road to 10% at a share price premium of 27%
- Retirement of Mr Martin Pyle as Non-executive Director and resignation of Mr Kevin Hart as **Company Secretary**
- Appointment of Mr Brian Levet as Non-executive Director, and Ms Carol Marinkovich and Mr Hayden Bartrop as Joint Company Secretaries

ASX Code GOR

ABN 13 109 289 527

COMPANY DIRECTORS Tim Netscher Chairman Ian Murrav Managing Director & CEO Justin Osborne Executive Director. Exploration & Growth Sharon Warburton Non-Executive Director **Company Secretary** 



Well-funded mid-tier gold development and exploration company, Gold Road Resources Limited (**Gold Road** or the **Company**), is pleased to release its activity report for the quarter ending 30 June 2017.

The June 2017 quarter saw Gold Road accelerate its planned A\$30 million greenfields exploration programme with five drilling rigs on site, with first results further demonstrating the highly prospective nature of the Company's tenement holding across the Yamarna Greenstone Belt.

Drilling in the quarter delivered significant bedrock assay results from its prioritised early and advanced staged projects, with results reported from 340 diamond, Reverse Circulation (**RC**) and aircore (**AC**) drill holes for a total of 18,169 metres completed over a 100 kilometre strike length of the 200 kilometre long Yamarna Shear Zone, and over a nine kilometre strike length of the 100 kilometre long Dorothy Hills Shear Zone.

The development of the Gruyere Gold Project, a 50:50 Joint Venture with Gold Fields Ltd (**Gold Fields**), proceeded throughout the quarter, with significant contracts finalised for the Bulk Earthworks, Engineering Procurement and Construction (**EPC**), and Power Supply.

# YAMARNA EXPLORATION

### North Yamarna (100%)

#### Pacific Dunes-Corkwood Camp: Ibanez and Mesaboogie

The exploration highlights in the quarter from the 100% North Yamarna Project included the high-grade bedrock intersections from RC drilling targeting the high priority **Ibanez Target** – at the northern end of the Yamarna Belt approximately 65 kilometres north of the Attila Mineral Resource – where mineralisation in the northern part of the prospect area included:

- 10 metres at 28.67 g/t Au from 240 metres, including 2 metres at 136.57 g/t Au from 240 metres and 1 metre at 238.03 g/t Au from 240 metres (17CWRC0037), with coarse gold visible in RC chips, and
- 9 metres at 4.56 g/t Au from 111 metres, including 4 metres at 7.31 g/t Au from 111 metres and 1 metre at 21.99 g/t Au from 113 metres (17CWRC0034).

This first-pass bedrock RC and diamond drill testing was conducted over a 2.1 kilometre strike length within the 2.5 kilometre Ibanez Target. Drilling confirmed the continuity and width of the approximately 100 metre wide mineralised corridor that contains the Ibanez gold mineralisation, including localised high-grade mineralisation which will be followed up.

A 92 hole programme of follow-up anomaly definition AC drilling was completed at the **Mesaboogie Target** which is located 8 kilometres south of the Ibanez Target on the southern strike extension of the same mineralised trend. Best intersections included:

- 12 metres at 0.17 g/t Au from 64 metres and 8 metres at 0.20 g/t Au from 84 metres (17CWAC0256)
- 4 metres at 0.30 g/t Au from 52 metres (17CWAC0233)
- 4 metres at 0.20 g/t Au from 32 metres (17CWAC0207)
- 3 metres at 0.21 g/t Au from 68 metres (17CWAC0258).



#### Renegade

Two diamond holes for a total 345 metres were drilled at Renegade to test interpreted high-grade positions associated with a potential strike refraction across a brittle dacitic crystal tuff host rock. This drilling identified two orientations of mineralisation, with best intersections including:

- 1 metre at 9.63 g/t Au from 37 metres (17KNDD0003)
- 2.3 metres at 4.24 g/t Au from 67.7 metres, including 0.4 metres at 17.28 g/t Au from 68.21 metres (17KNDD0003)
- 4.96 metres at 2.12 g/t Au from 34 metres (17KNDD0004).

Gold at Renegade is interpreted to be associated with stockwork zones comprising thin quartz-carbonate veins that are generally shallow east dipping, and south-east plunging, steeply west dipping lodes of quartz veining with albite-sericite alteration and coarse arsenopyrite. Steeply dipping chlorite-biotite crackle breccias are common features in the host dacitic crystal tuff around both the mineralised stockwork and lode mineralisation.

#### Sun River-Wanderrie Camp: Santana and Gilmour-Morello

Drilling at the Sun River-Wanderrie Camp, in the central area of the Yamarna Greenstone Belt, included a programme of diamond tails at Santana to extend previous 2016 RC and diamond drill holes that terminated in mineralisation. 202 metres of diamond drilling completed extensions to four previous holes and confirmed that the previous drilling effectively defined the extent of mineralisation. The Santana mineralisation remains open to the north and further work will be conducted to assess the extensional potential.

Infill anomaly definition AC drilling commenced during the quarter to test the 4.5 kilometre long Gilmour-Morello Target located on the Yamarna Shear Zone, situated approximately seven kilometres south of the Santana Prospect. Results returned for the initial northern traverses from the planned 78 hole programme confirmed continuity of the mineralisation, with best intersections including:

- 20 metres at 0.35 g/t Au from 68 metres including 4 metres at 0.98 g/t Au from 68 metres (17WDAC0238)
- 5 metres at 0.88 g/t Au from 60 metres (17WDAC0248)
- 13 metres at 0.26 g/t Au from 64 metres (17WDAC0243).

### Gruyere JV (Gold Road 50%)

Drilling within the Gruyere Joint Venture (**Gruyere JV**) Project during the quarter focused on identifying additional ore sources outside of the Gruyere Deposit that have the potential to add higher grade feed to the Gruyere Project.

### Attila-Alaric Trend

#### Attila

The Attila Open Pit now has an updated Mineral Resource totalling 6,570,900 tonnes at 1.55 g/t Au for 327,300 ounces of gold – representing an addition of 103,200 ounces or 46% increase compared to the 2015 Resource, with 91% of the Resource classified in the Measured or Indicated categories.

The updated Mineral Resource includes new information derived from the 2016 diamond and RC drilling programmes, which contributed to the refinement of the geological understanding at Attila.



#### Alaric

Work continued at Alaric to update the Alaric Mineral Resource, another potential source of satellite feed to the Gruyere Mill, with three diamond drill holes completed to test the depth extensions to this mineralised system.

A 199 metre hole (17ALDD0005) was drilled to twin a significant RC hole (12ALRC0031), which returned an intersection of 3 metres at 21.92 g/t Au. The diamond drill hole, 8.5 metres up-dip of the RC, returned 2.85 metres at 3.20 g/t Au including 0.38 metres at 16.15 g/t Au. The twin was effective in repeating the thickness of the Alaric Main Shear although the grade of mineralisation in the diamond hole was lower than the RC.

#### **Alaric Mineral Resource Update**

Subsequent to the end of the June 2017 quarter, Gold Road announced the completion of an updated Alaric Open Pit Mineral Resource (**2017 Mineral Resource**) estimate in accordance with the 2012 JORC Code<sup>1</sup>. The 2017 Mineral Resource now totals 1,923,400 tonnes at 1.51 g/t Au for 93,500 ounces of gold (Table 1). This represents an addition of 47,000 ounces (+101%) compared to the 2015 Mineral Resource<sup>2</sup>, with 72% of the 2017 Mineral Resource being classified in the Indicated category. Material previously classified as Measured in the 2015 Mineral Resource has been re-assigned to Indicated based on the Company's understanding of appropriate drill spacing for the style of mineralisation and the observed variability of mineralisation at short range in the drilling data.

	2015 Mineral Resource			2017 Mineral Resource			Variance %		
Resource Category	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
category	(t)	(g/t Au)	(oz)	(t)	(g/t Au)	(oz)	(t)	(g/t Au)	(oz)
M, I & I	821,900	1.76	46,500	1,923,400	1.51	93,500	134%	-14%	101%
Measured	376,400	2.16	26,100	-	-	-	-100%	-100%	-100%
Indicated	163,200	1.34	7,000	1,237,700	1.70	67,500	658%	27%	864%
Inferred	282,300	1.48	13,400	685,700	1.18	26,000	143%	-20%	94%

 Table 1: Summary comparison of 2015 and 2017 Alaric Mineral Resource variances

Notes:

All Mineral Resources are completed in accordance with the 2012 JORC Code

• All figures are reported on a 100% ownership basis

The 2017 Mineral Resource is reported at a cut-off grade of 0.45 g/t Au and constrained within a A\$1,850 per ounce optimised pit shell

The 2015 Mineral Resource is reported at a cut-off grade of 0.70 g/t Au and constrained within a A\$1,600 per ounce optimised pit shell

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

### **South Dorothy Hills Trend**

#### Gruyere

Results were received from drilling to evaluate the underground potential at Gruyere, based on a conceptual bulkunderground mining study completed in 2015. The aim of the drilling was to define an internal high-grade zone within the Gruyere Porphyry over a 400 metre strike length averaging 85 to 90 metres wide at +1.5 g/t Au.

Assay results received to date from three holes returned a best intersection of 41 metres at 1.49 g/t Au and had the effect of reducing the strike length of the targeted shoot from 400 to 200 metres. The underground option will be re-evaluated based on the new results and the conceptual underground study updated accordingly prior to additional drilling being contemplated.

#### YAM14

Results of an RC drilling programme (22 holes for 4,500 metres) targeting extensions to the YAM14 deposit included a best intersection of 64 metres at 3.73 g/t Au from 79 metres, including 28 metres at 6.50 g/t Au from 79 metres, with 18 metres at 9.78 g/t Au from 87 metres, or 8 metres at 19.16 g/t Au from 90 metres (16DHRC0060).

<sup>&</sup>lt;sup>1</sup> ASX announcement dated 24 July 2017

<sup>&</sup>lt;sup>2</sup> ASX announcement dated 16 September 2015



This drill campaign aimed to test the source of high-grade mineralisation intersected in AC drilling reported in January 2017<sup>3</sup> and in the process has extended the strike length of mineralisation to one kilometre, which remains open to the north and down dip. Additional RC drilling will be completed following up the potential extensions, and a maiden resource evaluation is expected to be completed in the second half of 2017 pending positive results.

A single 230 metre diamond drill hole (17DHDD0012) was completed to twin RC hole 17DHRC0060 and validate the high-grade intercept of 64 metres at 3.73 g/t Au. The diamond hole, located 5 metres to the east of the RC hole, returned an intercept of 49.7 metres at 1.06 g/t Au, successfully intersecting the same thick zone of interpreted mineralisation, although not reproducing the high-grades present in the RC hole. Included within the 49.7 metre mineralised zone the diamond hole returned intercepts of 12.1 metres at 1.31 g/t Au and 13 metres at 2.12 g/t Au. These internal zones of moderate grade and thickness (10 to 15 metres at 1.3 to +2.5 g/t Au) reconciled well with the results from the other RC holes on the same section. Studies are in progress to better understand the grade variance, suspected to be associated with coarse gold issues amongst other possibilities.

### South Yamarna JV (Gold Road 50%)

#### **Yaffler South**

A nine hole RC drilling programme designed to test the bedrock expression of anomalism identified in the 2016 AC drilling programme was completed at the Yaffler South Prospect during the quarter.

Results from four of the nine holes drilled were reported in the period, with a best intersection of 10 metres at 1.06 g/t Au from 92 metres, including 6 metres at 1.53 g/t Au from 92 metres (17SYRC0105), confirming a primary gold source to the targeted AC anomalism. Further west, 17SYRC0106 returned 9 metres at 0.64 g/t Au from 44 metres, including 1 metre at 2.77 g/t Au from 44 metres, while drill hole 17SYRC0107 targeted the down-dip continuation to the east. Follow-up RC drilling is planned in the September 2017 quarter to test for extensions to the bedrock mineralisation and define the larger mineralising system.

#### **Mt Carlon**

First pass full field AC drill testing of the Mt Carlon Camp was completed in the quarter, with the programme of 203 AC holes for 1,901 metres. No significant assays (above 0.1 g/t Au) were returned from the drilling programme and the Mt Carlon project will be re-assessed for its prospectivity.

<sup>&</sup>lt;sup>3</sup> ASX announcement dated 17 January 2017



# **Gruyere Gold Project (Gold Road 50%)**

The June 2017 quarter was a period of significant progress for the Gruyere Gold Project (the **Project**), managed by Gruyere Management Pty Ltd (**GRM**), a wholly owned subsidiary of Gold Fields.

During the reporting period, a review of the original work completed on the engineering, procurement and construction as part of the Feasibility Study resulted in a number of improvements and enhancements being recommended to the Project design, as a direct result of Gold Fields extensive operational experience.

Key benefits of these modifications, which resulted in a slightly increased capital budget of A\$532 million, included improved operational ergonomics and maintainability, advanced process plant controls and more consistent metallurgical recovery.

GRM remains committed to the Project construction schedule duration which remains unchanged. However the construction start time was postponed by a few months as a result of the extended Feasibility Study review, with first gold now expected in the March 2019 quarter.

A fixed price, lump sum A\$298 million EPC contract was finalised in the reporting period with the Amec Foster Wheeler Civmec Joint Venture (**ACJV**), along with a schedule of rates Bulk Earthworks contract with MACA Civil Pty Ltd and a ground-breaking power provision contract with APA Group.

Installation of Stage 2 of the Gruyere Village was completed in May, with final commissioning of the complete Gruyere Village, which will include 648 accommodation rooms, offices and recreational facilities planned for July 2017.

Construction of six of the eight bores in the Anne Beadell borefield, which supplies water for construction works and the Gruyere Village, was completed during the quarter. The remaining two bores at Anne Beadell are planned to be completed in the September 2017 quarter.

### **Mining Contract**

During the quarter, GRM prepared the tender documents for the mining services contract to move 27 million tonnes of material per annum, on average, over a 5 year period to produce an average 260,000 ounces of gold per year. Documents are expected to be presented for tender in July, with award of the mining contract expected in the December 2017 quarter.

#### Community

All major contractors associated with the Gruyere development are supportive of local community participation throughout and beyond the construction period. The relevant contractors have developed engagement plans that have identified a number of local employment initiatives which, once full mobilisation has been completed, can be implemented.



## **SEPTEMBER 2017 QUARTER – PLANNED WORK**

#### North Yamarna Project (100%)

Work on the North Yamarna tenements will include:

- Geological modelling and economic evaluation at the Renegade target to determine further work plans
- AC drilling at the Gilmour-Morello target, with the southern three kilometres remaining to be tested
- RC and diamond drilling targeting bedrock mineralisation at multiple targets on the Corkwood Camp.

#### Gruyere JV (Gold Road 50%)

Gold Road exploration on the Gruyere JV will include:

- Update of the Gruyere resource model (South Dorothy Hills) with results from recent deep drilling
  programme to allow assessment for underground mining options or open pit expansion potential
- A phased programme of step out diamond drilling for 2,850 metres (seven holes) at YAM14 (South Dorothy Hills), along the length of the deposit at a 200 metre spacing to test the down-dip extent of mineralisation to 350 metres below surface
- Continuation of Pre-feasibility Study work on the Attila and Alaric deposits
- Induced Polarisation (IP) geophysical surveys along the Attila-Alaric Trend and the Dorothy Hills Trend

#### South Yamarna JV (Gold Road 50%)

Exploration work within the South Yamarna JV will include:

- RC bedrock drilling at Yaffler South and Kingston targets
- AC infill and extension drilling of the Kingston North target.

# **CORPORATE UPDATE**

#### **Gold Fields Increased Holding**

During the quarter, Gold Fields, through its wholly owned subsidiaries, acquired 74,824,070 shares at \$0.86 per share, a 27% premium to Gold Road's closing share price of \$0.675 on 18 May 2017.

Gold Fields advised that it now has a 10% relevant interest in Gold Road. As part of the sale of a 50% interest in the Gruyere Gold Project and formation of the Gruyere JV, Gold Road agreed with Gold Fields Australia (**GFA**) and its affiliates to a standstill arrangement in which they must not acquire a relevant interest in any securities of Gold Road greater than 10% unless agreed in writing by Gold Road during the standstill period.

The standstill applies to any further acquisition of relevant interests by GFA and its affiliates of Gold Road shares and ends on the earlier of:

- two years after GFA or its affiliates cease to be a participant in the Gruyere Project Joint Venture;
- a person or persons jointly or in concert (other than GFA or its affiliates), publicly announce their intention to commence a transaction which would result in a person or persons acquiring a relevant interest of 20% or more in Gold Road's issued shares (Control Transaction); or
- the date Gold Road publicly announces that its Board of Directors has approved an agreement which contemplates a Control Transaction.



#### **Board and Management Update**

Mr Martin Pyle retired as a Non-executive Director of the Company on 30 June 2017. Mr Pyle has been a Non-executive Director of Gold Road since June 2010 and was Chairman of the Remuneration Committee. The Company has appointed former Newmont executive, Brian Levet as a Non-executive Director with effect from 1 August 2017 (ASX announcement dated 26 July 2017).

Gold Road also advised that Ms Carol Marinkovich was appointed joint Company Secretary from 16 May 2017, and Mr Kevin Hart would step down as Joint Company Secretary on 31 May 2017.

Following Mr Hart's resignation, Mr Hayden Bartrop commenced as Joint Company Secretary effective from 1 June 2017.

Mr Tim Manners, General Manager - Finance, resigned from the Company effective from 28 July 2017.

#### Share Capital

As at 30 June 2017, the Company had 872,258,970 ordinary fully paid shares, 5,965,742 performance rights and 3,500,000 unlisted options on issue with various strike prices.

#### **Financial Update**

As at 30 June 2017, the Company had cash, term deposits and current receivables of A\$310.7 million.

During the quarter income tax of A\$70.2 million was paid to the Australian Taxation Office, A\$69.7 million was spent on the development of the Gruyere Project (100%) and A\$3.8 million was spent on exploration (Gold Road's respective share).

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

### Gold Road Resources

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### About Gold Road

Gold Road is pioneering development of goldfield, Australia's newest the Yamarna Belt, 200 kilometres east of Laverton in Western Australia. The Company holds interests in tenements covering approximately 6,000 square kilometres in the region, which is historically underexplored and highly prospective for gold mineralisation. The Yamarna leases contain a gold resource of 6.8 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 for the Gruvere 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) and its 50% owned South Yamarna Joint Venture tenements in conjunction with Sumitomo Metal Mining Oceania (a subsidiary of Sumitomo Metal Mining Co. Limited).



Location and Geology of the Yamarna Tenements (plan view MGA Grid) showing Gold Road's 100% tenements (blue outline), Gold Road-Sumitomo South Yamarna Joint Venture tenements (red outline), and Gold Road-Gold Fields Gruyere Joint Venture tenements (yellow outline), Mineral Resources, Ore Reserves (100% basis) and main Exploration Projects



	Gruyere Project Joint Venture - 100% basis		Gold Road - 50%			
Project Name / Category	Tonnes	Grade	Contained Metal	Tonnes	Grade	Contained Metal
.,,	(Mt)	(g/t Au)	(Moz Au)	(Mt)	(g/t Au)	(Moz Au)
Gruyere Total (0.5 g/t Au)	147.71	1.30	6.16	73.85	1.30	3.08
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
Central Bore Total (1.0 g/t Au)	0.63	9.0	0.18	0.32	9.0	0.09
Measured	0.04	26.5	0.04	0.02	26.5	0.02
Indicated	0.40	9.0	0.12	0.20	9.0	0.06
Inferred	0.19	5.0	0.03	0.09	5.0	0.02
Attila-Alaric Trend Total (0.45 g/t Au)	8.49	1.54	0.42	4.25	1.54	0.21
Measured	0.31	1.90	0.02	0.16	1.90	0.01
Indicated	6.92	1.56	0.35	3.46	1.56	0.17
Inferred	1.26	1.33	0.05	0.63	1.33	0.03
Total	156.83	1.34	6.76	78.42	1.34	3.38
Measured	14.22	1.27	0.58	7.11	1.27	0.29
Indicated	98.43	1.34	4.25	49.22	1.34	2.13
Inferred	44.18	1.36	1.93	22.09	1.36	0.97

#### Mineral Resource Estimate for the Yamarna Leases – July 2017

Notes:

All Mineral Resources are completed in accordance with the 2012 JORC Code.

- The Gruyere JV is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Ltd a wholly owned Australian subsidiary of Gold Fields
- Gruyere Mineral Resource reported at 0.5 g/t Au cut-off, constrained within a A\$1,700/oz optimised pit shell based on mining and processing parameters from the Gruyere FS 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 Mineral Resource reported at 0.45 g/t Au cut-off, constrained within a A\$1,850/oz optimised pit shell (ASX announcement dated 25 May 2017)
- Alaric Mineral Resource reported 0.45 g/t Au cut-off, constrained within a A\$1,850/oz optimised pit shell (ASX announcement 24 July 2017)
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Mineral Resources are inclusive of Ore Reserves.

	Gruy	yere Project Joi 100% bas			Gold Road 50%	d		
Category	Tonnes         Grade         Contained Metal           (Mt)         (g/t Au)         (Moz Au)		Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)			
Total	91.57	1.20	3.52	45.78	1.20	1.76		
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		

#### Ore Reserve Statement for the Gruyere Project

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' share of production from the Gruyere JV once total gold production from the Gruyere JV 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



#### **Competent Persons Statements**

The information in this report which relates to Exploration Results is based on information compiled by Mr Justin Osborne, Executive Director-Exploration and Growth 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, General Manager Geology for Gold Road.

The information in this report that relates to the Mineral Resource Estimation for the Attila - Alaric Trend is based on information compiled by Mr Justin Osborne, Executive Director-Exploration and Growth for Gold Road, Mr John Donaldson, General Manager Geology 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 **Mr David Varcoe**. Mr 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.



# **Tenement Schedule**

Tenement	Tenement		Tenement	Tenement		Tenement	Tenement	
Number	Holder	Status	Number	Holder	Status	Number	Holder	Status
	xploration Licent			liscellaneous Licer			Mining Licences	
E38/1083	Yamarna	Granted	L38/180	Gruyere JV <sup>^</sup>	Granted	M38/435	Gruyere JV <sup>^</sup>	Granted
E38/1386	Yamarna	Granted	L38/186	Gruyere JV^	Granted	M38/436	Gruyere JV^	Granted
E38/1388	Yamarna	Granted	L38/210	Gruyere JV <sup>^</sup>	Granted	M38/437	Gruyere JV <sup>^</sup>	Granted
E38/1858	Yamarna	Granted	L38/211	Gruyere JV <sup>^</sup>	Granted	M38/438	Gruyere JV <sup>^</sup>	Granted
E38/1931	Yamarna	Granted	L38/227	Gruyere JV <sup>^</sup>	Granted	M38/439	Gruyere JV <sup>^</sup>	Granted
E38/1932	Gruyere JV <sup>^</sup>	Granted	L38/230	Gruyere JV <sup>^</sup>	Granted	M38/788	Gruyere JV <sup>^</sup>	Granted
E38/1964	Gruyere JV <sup>^</sup>	Granted	L38/233	Gruyere JV <sup>^</sup>	Granted	M38/814	Gruyere JV <sup>^</sup>	Granted
E38/2178	Yamarna	Granted	L38/235	Gruyere JV <sup>^</sup>	Granted	M38/841	Gruyere JV <sup>^</sup>	Granted
E38/2235	Yamarna	Granted	L38/236	SYJV*	Granted	M38/1178	Gruyere JV^	Granted
E38/2236	Yamarna	Granted	L38/237	Gruyere JV <sup>A</sup>	Granted	M38/1179	Gruyere JV <sup>A</sup>	Granted
E38/2249 E38/2250	Yamarna Yamarna	Granted Granted	L38/250 L38/251	Gruyere JV^ Gruyere JV^	Granted Granted	M38/1255 M38/1267	Gruyere JVA	Granted Granted
E38/2250 E38/2291	SYJV*	Granted	L38/251 L38/252	Gruyere JV <sup>A</sup>	Granted	10138/1207	Gruyere JV <sup>^</sup>	Granteu
E38/2291 E38/2292	SYJV*	Granted	L38/252	Gruyere JV <sup>A</sup>	Granted			
E38/2292	SYJV*	Granted	L38/254	Gruyere JV	Granted			
E38/2294	SYJV*	Granted	L38/255	Gruyere JV <sup>^</sup>	Granted			
E38/2319	Yamarna	Granted	L38/256	Gruyere JV <sup>^</sup>	Granted			
E38/2325	Yamarna	Granted	L38/259	Gruyere JV <sup>^</sup>	Application			
E38/2326	Yamarna	Granted	L38/260	Gruyere JV <sup>^</sup>	Granted		Prospecting Licence	es
E38/2355	SYJV*	Granted	L38/266	Gruyere JV^	Granted	P38/3824	Yamarna	Granted
E38/2356	Yamarna	Granted	L38/267	Gruyere JV^	Granted	P38/3869	Yamarna	Granted
E38/2362	Yamarna	Granted	L38/268	Gruyere JV^	Granted	P38/3870	Yamarna	Granted
E38/2363	SYJV*	Granted	L38/269	Gruyere JV^	Granted	P38/3887	Yamarna	Granted
E38/2415	Yamarna	Granted	L38/270	Gruyere JV <sup>^</sup>	Granted	P38/3895	Yamarna	Granted
E38/2427	SYJV*	Granted	L38/271	Gruyere JV <sup>^</sup>	Granted	P38/3896	Yamarna	Granted
E38/2446	Yamarna	Granted	L38/272	Gruyere JV <sup>^</sup>	Granted	P38/4149	Yamarna	Granted
E38/2447	Yamarna	Granted	L38/273	Gruyere JV <sup>^</sup>	Granted	P38/4150	Yamarna	Granted
E38/2507	SYJV*	Granted	L38/274	Gruyere JV^	Granted	P38/4151	Yamarna	Granted
E38/2513	Yamarna	Granted	L38/275	Gruyere JV <sup>A</sup>	Granted	P38/4193	Yamarna	Granted
E38/2529	Yamarna SYJV*	Granted Granted	L38/276 L38/278	Gruyere JV <sup>^</sup> Gruyere JV <sup>^</sup>	Granted Granted	P38/4194 P38/4195	Yamarna Yamarna	Granted Granted
E38/2531 E38/2735	Yamarna	Granted	L38/278 L38/279	Gruyere JV <sup>A</sup>	Granted	P38/4195 P38/4196	Yamarna	Granted
E38/2755	Yamarna	Granted	L38/280	Gruyere JV	Granted	P38/4197	Yamarna	Granted
E38/2794	Yamarna	Granted	L38/281	Gruyere JV <sup>^</sup>	Granted	P38/4198	Yamarna	Granted
E38/2797	Yamarna	Granted	L38/282	Gruyere JV <sup>^</sup>	Granted	P38/4315	Yamarna	Application
E38/2798	Yamarna	Granted	L38/283	Gruyere JV <sup>^</sup>	Granted	P38/4399	Yamarna	Application
E38/2836	Yamarna	Granted	L38/284	Gruyere JV^	Application	P38/4400	Yamarna	Application
E38/2860	Yamarna	Granted	L38/285	Gruyere JV <sup>^</sup>	Application	P38/4401	Gruyere JV <sup>^</sup>	Application
E38/2902	SYJV*	Granted	L38/286	Gruyere JV <sup>^</sup>	Application			
E38/2913	Yamarna	Granted	L38/290	Gruyere JV <sup>^</sup>	Application			
E38/2917	SYJV*	Granted	L38/291	Gruyere JV <sup>^</sup>	Application			
E38/2930	SYJV*	Granted	L38/293	Gruyere JV^	Application			
E38/2931	Yamarna	Granted	L38/283	Gruyere JV^	Application			
E38/2932	Yamarna	Application	L38/294	Gruyere JV^	Application			
E38/2944	SYJV*	Granted	L38/295	Gruyere JVA	Application			
E38/2964	Yamarna	Granted	L38/296 L38/297	Gruyere JV^ Gruyere JV^	Application			
E38/2965 E38/2966	Yamarna Yamarna	Granted Granted	L38/297 L38/298	Gruyere JV <sup>A</sup>	Application Application			
E38/2966 E38/2967	SYJV*	Granted	L38/298 L38/299	Gruyere JV <sup>A</sup>	Application			
E38/2967	SYJV*	Granted	L38/300	Gruyere JV <sup>A</sup>	Application			
E38/2908	Yamarna	Granted	L38/301	Gruyere JV <sup>^</sup>	Application			
E38/3041	Yamarna	Granted	L38/302	Gruyere JV <sup>^</sup>	Application			
E38/3046	Yamarna	Application	L38/303	Gruyere JV^	Application			
E38/3047	Yamarna	Granted	L38/304	Gruyere JV^	Application			
E38/3048	Yamarna	Granted	L38/305	Gruyere JV^	Application			
E38/3104	SYJV*	Granted	L38/306	Gruyere JV <sup>^</sup>	Application			
E38/3105	SYJV*	Granted	L38/307	Gruyere JV <sup>^</sup>	Application			
E38/3106	SYJV*	Granted						
E38/3107	SYJV*	Granted						
E38/3173	Yamarna	Application						
E38/3174	Yamarna	Application						
E38/3206	Yamarna	Application						
E38/3207	Yamarna	Application				1		

**Notes:** Gold Road is the Registered Title Holder for exploration, miscellaneous, prospecting licences and mining leases. Gold Road is 100% owner of all the Yamarna tenements listed, 50% owner of the South Yamarna Joint Venture (**SYJV**\*) (50% held by Sumitomo Metal Mining Oceania Pty Ltd) and 50% owner of the Gruyere Joint Venture (**Gruyere JV**^) (50% held by Gold Fields Limited). Tenement listing is as at 30 June 2017.

+Rule 5.5

### Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Gold Road Resources Limited		
ABN		Quarter ended ("current quarter")
13 109 289 527		30 June 2017

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(3,801)	(21,106)
	(b) development	(34,862)	(46,583)
	(c) production	-	-
	(d) staff costs	(2,235)	(7,181)
	(e) administration and corporate costs	(2,195)	(6,142)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1,556	3,514
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(70,221)	(70,221)
1.7	Research and development refunds	-	368
1.8	(a) Other - Joint Venture Management Fee	205	374
	(b) Other-Recoupment of development cost under Gruyere		
	Joint Venture (GJV) agreement	-	4,464
	(c) Other-GJV transaction costs	-	(7,785)
1.9	Net cash (used in) operating activities	(111,553)	(150,298)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(44)	(433)
	(b) tenements (see item 10)	-	(198)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	250,000
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	(a) Closure of Forward Sales	-	11,916
	(b) Receipt of Deferred Consideration from GJV Partner	39,084	51,805
2.6	Net cash (used in) / from investing activities	39,040	313,090

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Appendix 5B Mining exploration entity and oil and gas exploration entity quarterly report

Cons	Consolidated statement of cash flows		Year to date (12 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	140	447
3.4	Transaction costs related to issues of shares, convertible		
	notes or options	-	-
3.5	Proceeds from borrowings	-	-

3.10	Net cash from financing activities	140	447
3.9	Other (provide details if material)	-	-
3.8	Dividends paid	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.6	Repayment of borrowings	-	-
3.5	Proceeds from borrowings	-	-

4.	Net increase / (decrease) in cash and cash		
	equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	326,273	90,661
4.2	Net cash (used in) operating activities (item 1.9 above)	(111,553)	(150,298)
4.3	Net cash from investing activities (item 2.6 above)	39,040	313,090
4.4	Net cash from financing activities (item 3.10 above)	140	447
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	253,900	253,900

5.	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	31,908	25,282
5.2	Call deposits	221,992	300,991
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	253,900	326,273

#### 6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments to Executive Directors and Non-executive Directors April to June 2017 \$325,558

#### 7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items7.1 and7.2

Current quarter \$A'000			
326			
-			

Current quarter \$A'000

#### 8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000	
-	-	
-	-	
-	-	

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation (Gold Road's respective share)	7,050
9.2	Development (50% share in GJV)*	30,100
9.3	Production	-
9.4	Staff costs	2,300
9.5	Administration and corporate costs	2,200
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	41,650

\* Funded from the Deferred Consideration received from Gold Fields Ltd as part of the original GJV Transaction. The balance of the receivable from Gold Fields Ltd at 30 June 2017 was \$48.8 million.

10.	Changes in tenements	Tenement reference	Nature of interest	Interest at	Interest at
	(items 2.1(b) and	and location		beginning of	end of
	2.2(b) above)			quarter	quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E38/3076 (Gruyere JV)	Registered Applicant	50%	0%
		E38/3077 (Yamarna)	Registered Applicant	100%	0%
		E38/3104 (SYJV)	Registered Holder	100%	50%
		E38/3105 (SYJV)	Registered Holder	100%	50%
		E38/3106 (SYJV)	Registered Holder	100%	50%
		E38/3107 (SYJV)	Registered Holder	100%	50%
10.2	Interests in mining	P38/4399 (Yamarna)	Registered Applicant	0%	100%
	tenements and petroleum tenements acquired or increased	P38/4400 (Yamarna)	<b>Registered Applicant</b>	0%	100%
		P38/4401 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		P38/4315 (Yamarna)	Beneficial Applicant	0%	100%
		L38/284 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/285 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/286 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/297 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/298 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/299 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/300 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/301 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/302 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/303 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/304 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/305 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/306 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%
		L38/307 (Gruyere JV)	<b>Registered Applicant</b>	0%	50%

#### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

Carol Marinkovich, Company Secretary

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Date: 26 July 2017

#### Notes

- 1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- 2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.