

ASX Announcement

28 May 2020



Company Announcements Platform
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

ASX Code GOR

ABN 13 109 289 527

COMPANY DIRECTORS

Tim Netscher

Chairman

Duncan Gibbs

Managing Director & CEO

Justin Osborne

**Executive Director,
Discovery & Growth**

Brian Levett

Non-Executive Director

Sharon Warburton

Non-Executive Director

Carol Marinkovich

Company Secretary

Dear Sir / Madam

2020 ANNUAL GENERAL MEETING CHAIRMAN ADDRESS

Attached is a copy of the address to be given by the Chairman at Gold Road Resources' Annual General Meeting today.

This announcement has been authorised by the Board.

Yours faithfully

Gold Road Resources Limited

CONTACT DETAILS

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Hayden Bartrop

Joint Company Secretary



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Gold Road Resources

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CHAIRMAN'S SCRIPT

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Held at Gold Road Resources office
Level 2, 26 Colin Street, West Perth

Thursday, 28 May 2020 commencing at 2.00pm (AWST)

[Chairman's Address]

Good afternoon Ladies and Gentlemen.

I would like to introduce myself to those of you who I have not had the opportunity to meet. I'm Tim Netscher and I am privileged to be the Chairman of Gold Road Resources Limited. As I said in the Notice of Meeting, I am disappointed that current circumstances have dictated that we need to hold this meeting as a hybrid virtual meeting and that we will not have the subsequent informal discussion between directors and shareholders which we and you enjoy. I look forward to returning to normality next year and in the meantime, we will endeavour to make the best of our current circumstances.

I am speaking to you from Perth so firstly, I would like to acknowledge the traditional custodians of the land we are meeting on, the Whadjuk People, and pay my respects to their Elders past and present.

I would also like to acknowledge the Yilka people and the Cosmo Newberry community, with whom we have a strong relationship. The Yilka people are the traditional custodians of the land on which we operate, and I pay my respects to their Elders past and present.

It is with pleasure that I declare the meeting open, and I formally welcome you to the Annual General Meeting of Gold Road Resources Limited.

This AGM is unlike any that we have ever held before. As you can appreciate, these are extraordinary times and we have adapted our procedures in light of the COVID-19 pandemic to practice social distancing and play our part in slowing the spread of the virus.

Today's meeting is being held in Gold Road's office by webcast and teleconference to enable you, the shareholders, to actively participate in the meeting, while adhering to public health advice. Shareholders can listen to the meeting, view the slides and ask questions relating to the business of the meeting. I thank all of you for logging on and tuning in.

With me at the table I have my fellow Directors, Justin Osborne, Sharon Warburton, Duncan Gibbs and Brian Levet. I also have Hayden Bartrop, Joint Company Secretary and Graham Hogg, representing our Auditors KPMG.

I would also like to welcome members of the Gold Road leadership team who join us through the live webcast, they are; Tony Muir (Finance), Stuart Jenner (Capability & Culture), Sharon Goddard (Social Performance and External Relations) as well as Duncan Hughes (Manager, Corporate Development and Investor Relations).

Before getting into the formal part of the meeting, I would like to reflect on 2019, a truly transformational year as the exciting journey continues for our Company.

This time exactly a year ago, the mix of anxiety and excitement in our company was palpable. The construction contractor was racing to finish off the final details of the complex construction program, while simultaneously, the commissioning team had commenced the process of systematically commissioning the many sections of the process plant as they became available. Would this start-up represent the successful culmination of five years of detailed design and metallurgical test

work, followed by a massive construction and then commissioning effort, thereby delivering the promised returns to shareholders and other stakeholders, such as our local community, many of whom have jobs in this new project in the semi-desert? Had we taken care to comprehensively foresee and manage all the potential risks, including, for example, a substantial drop in the gold price as we came into production?

So, at our last AGM we were on the cusp of delivering first gold at Gruyere. Well, I am happy to say that happened, with three gold bars delivered from our first gold pour on 30 June 2019. From that point onwards, it has been a story of delivery from Gruyere with the project constructed safely and on time and under budget at a cost of \$610 million versus the \$621 million forecast. The entire construction occurred without a single disabling injury with 3 million hours LTI free during the build: a truly world-class achievement. The operation declared commercial production in September and by the end of December Gruyere had delivered 99,130 ounces at the top end of guidance for our first 6 months of production, at impressively low all-in-sustaining costs. This saw us generate \$30 million of free cash flow in our first quarter of reported production in December.

So, in only the second quarter after first gold pour, we generated \$30 million of free cash flow: an amazing achievement, of which all those concerned with its delivery can be immensely proud for years to come! Continued solid production and favourable gold prices have provided a very strong balance sheet for a company yet to complete a full year's production.

Gold Road also delivered on the exploration front with a meaningful conversion of resources to the higher category of indicated resources beneath the current Gruyere Reserve pit shell. 2019 was also the year we added Maiden Resources from our 100% owned Yamarna tenements, with 260,000 ounces added at the Gilmour Discovery in both an underground and open pit resource.

All this success in 2019 has set a platform for us to further grow our Company from here, a task we are fully committed to. We believe there is a great opportunity to work with Gold Fields, our JV partner to further enhance Gruyere. We have commenced studies on the potential to increase Reserves below the current pit design, and we are confident that Gruyere will continue to grow, but naturally these studies will take time.

Our exploration team is now supported by what we feel is one of the best quality technical services team available. This is a team which we have painstakingly assembled to deliver the best possible results for the current phase of our exploration program. Our exploration strategy has been refined to focus on "meaningful discoveries" on our 100%-owned Yamarna tenure that could support a standalone operation owned entirely by us. Our Managing Director and CEO, Duncan Gibbs talks to these opportunities in his AGM presentation.

Finally, I would like to say that COVID-19, and the potential implications, is something we have taken very seriously and have been extremely proactive in preparing for at Gold Road and at Gruyere. To date, we have had no disruptions and all our employees are in good health. However, we retain plans in place should the risk level rise again. While we have done well in pro-actively managing the COVID-19 risk so far, our view is that this risk is still very much with us, so we remain vigilant and continue to plan for various potential contingencies. In this time, it is also important that we continue to prudently manage our financial resources. I will return to this point when I address the question of the payment of dividends. The welfare of our people, our community, our financial strength and the continuing safe operations at Gruyere and Yamarna are of paramount importance to our business.
