



2023 TAX CONTRIBUTION AND GOVERNANCE REPORT

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1. OUR BUSINESS

Gold Road Resources Limited (**Gold Road** or the **Company**) is an ASX 200 Australian gold producer with Tier 1 mine and exploration projects across Western Australia, South Australia and Queensland.

Gold Road owns 50% of the world-class Gruyere gold mine, which was developed in Joint Venture with Gold Fields Ltd (JSE: GFI) and produced first gold in June 2019. In 2024, Gruyere is forecast to increase production to a range of 300,000 – 335,000 ounces (100% basis) at an attributable AISC between A\$1,900 and A\$2,050 per attributable ounce, making it one of Australia’s largest and cost efficient gold mining operations.

2. AUSTRALIAN VOLUNTARY TAX TRANSPARENCY CODE (TTC)

Gold Road has a strong commitment to transparency and compliance from a regulatory and financial perspective. To promote transparency with our stakeholders and the public, Gold Road publishes this Tax Contribution and Governance Report (**Report**) on a voluntary basis. This Report includes information recommended to be disclosed under the Australian Voluntary Tax Transparency Code (**TTC**).

For the purposes of the voluntary TTC, Gold Road is considered to be a medium taxpayer. Based on this categorisation, Gold Road is only required to complete ‘Part A’ of the TTC to participate in the voluntary disclosure scheme. However, in keeping with Gold Road’s commitment to openness and transparency in tax information disclosure, the Company has provided the relevant sections of the voluntary ‘Part B’ disclosures applicable to our size, in addition to the mandatory ‘Part A’ disclosures.

3. FINANCIAL AND TAX REPORTING

3.1 Basis of Preparation

This Report provides information regarding Australian tax activities for the 2023 Financial Year¹, in compliance with the voluntary TTC. This information is given in summary and rounded form and has not been subject to audit except to the extent disclosures align with those provided in Gold Road’s Annual Report. This year’s Report is our fourth report and demonstrates our continued support for corporate tax transparency.

This Report includes details of payments made to Australian tax authorities by Gold Road and its wholly-owned subsidiaries. Effective 1 January 2017, the Company made an election to form a tax consolidated group for income tax and GST reporting obligations, comprising all of its wholly owned subsidiaries. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Gold Road Resources Limited.

Gold Road only conducts operations in Australia and accordingly does not have any international related parties.

All amounts are calculated in accordance with Australian Accounting Standards and are denominated in Australian Dollars.

¹ Gold Road operates on a calendar financial year.

3.2 ATO Streamlined Assurance Review

In June 2020 Gold Road completed a Streamlined Assurance Review (**SAR**) for the income years ended 30 June 2016 to 31 December 2018. This SAR was part of the Australian Taxation Office (**ATO**) Top 1000 Tax Performance Program, and the purpose of this review was for the ATO to obtain greater confidence that Gold Road paid the right amount of income tax during the review period, or identify areas of income tax risk in respect of the income years reviewed. Gold Road anticipates undergoing a Combined Assurance Review (**CAR**) in the future, following the ATO's practice of routinely reviewing the top 1000 taxpayers.

The outcome of this review was that the ATO determined there to be a high overall level of assurance that Gold Road paid the right amount of income tax for the review years.

4. VOLUNTARY TAX TRANSPARENCY CODE

Consistent with the code, this Statement is to be read in conjunction with the tax disclosures in the 2023 Annual Report, available on the Gold Road website goldroad.com.au. This Statement provides the following voluntary tax information:

- A reconciliation of accounting profit to tax expense and to income tax paid or payable
- Reconciliation to ATO public tax transparency disclosures
- Identification of material temporary and non-temporary differences
- Accounting effective company tax rates for our Australian operations
- Tax contribution summary for corporate taxes paid
- Approach to tax strategy and governance.

4.1 Reconciliation of Accounting Profit to Income Tax Expense and Income Tax Paid or Payable

Income tax payable reported on the Company's balance sheet, is calculated by multiplying accounting profit for the year, adjusted for both temporary and non-temporary differences, by the corporate tax rate.

Income tax expense, reported on the Company's income statement, is calculated by multiplying accounting profit, adjusted for non-temporary differences, by the corporate tax rate. Income tax paid or payable represents the actual income tax paid or payable to the ATO.

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(a) Reconciliation of Gold Road's accounting profit to income tax expense

	31 December 2023 \$000	31 December 2022 \$000
Profit before income tax	167,108	90,776
Tax at the Australian tax rate of 30% (December 2022: 30%)	50,133	27,233
<i>Increase/(decrease) in income tax expense due to:</i>		
Non-deductible differences	72	101
Deductible differences	(309)	(227)
Adjustment for deferred tax impact of share based payments	-	(141)
Prior period true up	1,497	113
Income tax expense	51,393	27,079

(b) Reconciliation of Gold Road's accounting profit to income tax payable

	31 December 2023 \$000	31 December 2022 \$000
Income tax expense	51,393	27,079
Deferred tax expense (through P&L)	(9,772)	(2,373)
Current tax expense for the year ended 31 December	41,621	24,706
Current tax payable at 1 January	6,562	5,526
True up of current tax payable for prior year	(733)	-
Net tax payments made to tax authorities	(22,464)	(23,670)
Income tax payable at 31 December	24,986	6,562

4.2 Material Temporary and Non-Temporary Differences

Total income reflected in Gold Road's income tax return is based on Australian accounting principles and as disclosed in the Consolidated Statement of Profit or Loss. Under Australian income tax law, taxable income is calculated as assessable income less allowable deductions. The major differences between total income and taxable income relate to allowable deductions of Gold Road.

A summary of material non-temporary and temporary differences for the year ended 31 December 2023 is provided below:

Differences	Description
Non-temporary differences	Non-deductible expenditure
Temporary differences	Share based payments
	DGO tax loss utilisations
	Inventory
	Exploration and evaluation expenditure
	Mine development costs (includes pre commercial levels of production expenditure and revenue)
	Property, Plant and Equipment
	Rehabilitation accretion

4.3 Accounting Effective Company Tax Rates

The effective tax rate is calculated as income tax expense divided by accounting profit. The effective tax rate will differ to the company tax rate due to the non-temporary differences. The effective company tax rates are outlined in the table below:

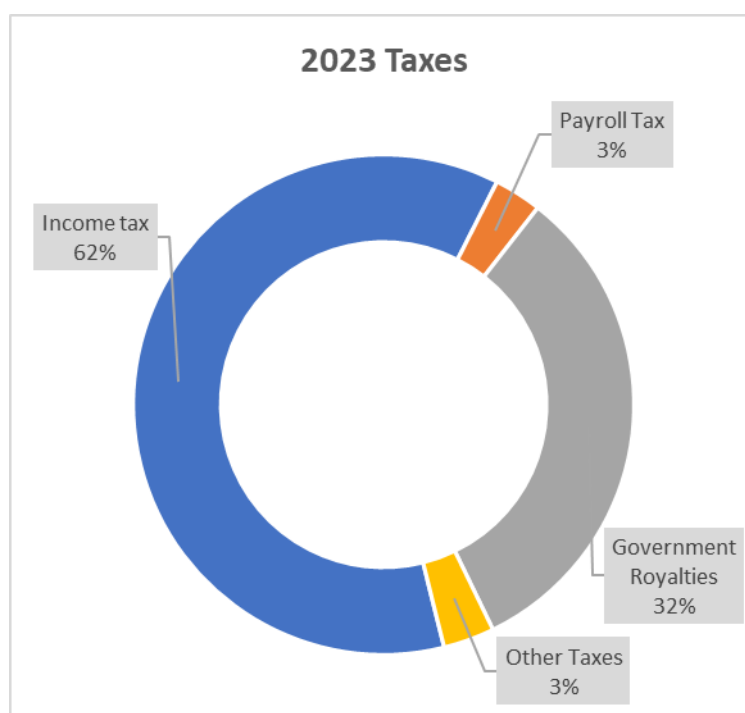
	2023	2022
Effective tax rates	30.8%	29.8%

The effective tax rate in 2023 materially reconciles to the Australian company tax rate of 30%.

4.4 Tax Contribution Summary for Corporate Taxes Paid

The table below provides an overview of all the Australian Federal and State taxes actually paid by Gold Road for the current and prior year.

	31 December 2023 \$000	31 December 2022 \$000
Income tax	22,464	23,670
Payroll tax	1,127	1,031
Fringe Benefits Tax	56	38
Government Royalties	11,802	10,062
Local Government Charges	75	75
Stamp duties	1,079	74
Total	36,603	34,950



4.5 Approach to Tax Strategy and Governance

Gold Road has an established Tax Risk Governance Framework (TRGF) including a Tax Compliance Policy that sets out Gold Road's tax risk strategy, which is set out below.

Gold Road is committed to conducting its business as a good and reliable corporate citizen. Gold Road manages its taxes in a prudent and sustainable manner and ensures it complies with all its tax obligations responsibly. Gold Road's strategy for managing tax risk is as follows:

- To ensure that tax risks are considered as a part of the overall commercial assessment of any transaction.
- To comply with all tax compliance obligations and payments in a timely manner.
- To take a measured approach to the assessment and management of tax risk with a view to being considered by tax authorities as low risk.
- Not to participate in tax evasion or to facilitate the evasion of tax by a third party in any way.
- To foster constructive, professional and transparent relationships with the revenue authorities based on concepts of integrity, collaboration and trust.
- To protect the reputation of Gold Road in relation to tax matters.
- To proactively engage and communicate regularly with the Board, the Audit Committee and others within Gold Road so as to adopt a 'no surprises' approach to the management of tax risk.
- Not to be involved in aggressive tax planning and not to use artificial or abnormal tax structures that are inconsistent with industry practice.
- Taxation, royalty payments and tax risk governance framework are included within the scope of internal audit.

The TRGF also documents various tax policies and procedures to give effect to the above tax risk strategy and has been unanimously endorsed and adopted by the Board. A tax risk register is maintained by the Company and reporting and monitoring to the Board and Audit Committee of the updated risk register occurs at least annually.