

## ASX Announcement

23 October 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 Levelt

**Non-Executive Director**

Sharon Warburton

**Non-Executive Director**

Maree Arnason

**Non-Executive Director**

Hayden Bartrop

**Company Secretary**

Dear Sir / Madam

### Investor Presentation – September 2020 Quarterly Report

In accordance with Gold Road Resource Limited's Continuous Disclosure Policy, enclosed is a copy of the Investor Presentation which is being released to the ASX Market Announcements Platform ahead of the September 2020 Quarterly Report investor briefing.

This release has been authorised by the Board.

Yours faithfully

**Gold Road Resources Limited**

### CONTACT DETAILS

Principal & Registered Office

Level 2, 26 Colin St

West Perth WA 6005

[www.goldroad.com.au](http://www.goldroad.com.au)

[perth@goldroad.com.au](mailto:perth@goldroad.com.au)

T +61 8 9200 1600

F +61 8 6169 0784

**Hayden Bartrop**

**Company Secretary**



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

### Gold Road Resources

Duncan Gibbs

Managing Director & CEO

Duncan Hughes

Manager – Corporate Development & Investor Relations

Tel: +61 8 9200 1600

### Media Enquiries

Peter Klinger

[pklinger@canningspurple.com.au](mailto:pklinger@canningspurple.com.au)

Cannings Purple

Tel: +61 411 251 540



**GOLD  
ROAD**  
RESOURCES

**SEPTEMBER 2020**

QUARTERLY RESULTS CALL

23 OCTOBER 2020

# DISCLAIMER

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# SEPTEMBER QUARTER KEY HIGHLIGHTS



55,919oz gold produced  
at Gruyere\* for Q3 2020



Zero lost time injuries  
LTIFR 3.08<sup>1</sup>



Debt free - Net cash &  
equivalents of \$103M<sup>2</sup>



Dividend Policy  
announced



New targets focused in  
the Southern Project  
Area



Increased revolving  
corporate debt facility  
(undrawn)

# GRUYERE – SEPTEMBER QUARTER SUMMARY

- **55,919 ounces produced\* at attributable AISC of A\$1,488/oz (US\$1,056/oz)<sup>2</sup>**
  - Plant availability at 87%
  - Transitioning to fresh rock ore
  - Gold recovery of 91.5%, grade in line with expectations
  - Ore stockpiles unchanged at 3.2 Mt @ 0.7 g/t Au
- **Gold Road sold 31,480 ounces at A\$2,420/oz<sup>2</sup>**
  - ~73% at spot
  - ~27% hedged at average contract price of A\$1,790/oz
  - 1,811 ounces of bullion and dore held
- **Quarterly free cash flow of A\$48.7M (underlying free cash flow of A\$22.2M before sale of investment)**
- **Quarterly CAIC of A\$1,897/oz**

Operation (100% basis)	Unit	Sept 2020 Qtr	June 2020 Qtr	CYTD <sup>3</sup>
Ore Mined	kt	1,859	2,125	5,821
Waste Mined	kt	5,688	3,825	12,296
Strip Ratio	w:o	3.06	1.80	2.11
Grade	g/t	1.03	1.06	1.05
Ore milled	kt	1,889	2,187	6,002
Head Grade	g/t	1.03	1.06	1.05
Recovery	%	91.5	93.1	92.9
<b>Gold Produced**</b>	<b>oz</b>	<b>55,919</b>	<b>71,865</b>	<b>187,379</b>
<b>Cost Summary (GOR)</b>				
Mining	A\$/oz	150	158	163
Processing	A\$/oz	579	461	516
G&A	A\$/oz	118	109	106
Ore Stock & GIC Movements	A\$/oz	(33)	3	2
By-product Credits	A\$/oz	(4)	(2)	(2)
<b>Cash Cost</b>	<b>A\$/oz</b>	<b>811</b>	<b>728</b>	<b>784</b>
Royalties, Refining, Other	A\$/oz	86	86	83
Rehabilitation <sup>1</sup>	A\$/oz	19	16	18
Sustaining Leases	A\$/oz	114	93	102
Sustaining Capital & Exploration	A\$/oz	458	309	289
<b>All-in Sustaining Costs</b>	<b>A\$/oz</b>	<b>1,488</b>	<b>1,233</b>	<b>1,276</b>
<b>Sales (50% share)<sup>2</sup></b>				
<b>Gold Sold</b>	<b>oz</b>	<b>31,480</b>	<b>28,700</b>	<b>91,880</b>
<b>Average Sales Price</b>	<b>A\$/oz</b>	<b>2,420</b>	<b>2,498</b>	<b>2,300</b>

\*100% basis unless otherwise stated. <sup>1</sup>Rehabilitation includes accretion and amortization | <sup>2</sup>Gold Road's 50% share | <sup>3</sup>Calendar financial year 2020  
Refer to ASX announcements dated 24 July and 23 October 2020. \*\*Production after GIC adjustments

# GRUYERE MINE

## 2020 GUIDANCE

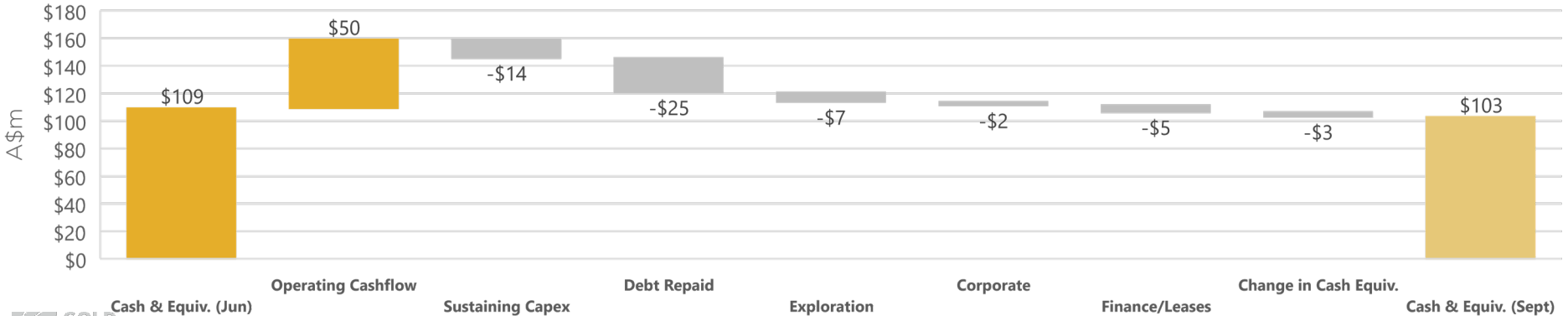
- 2020 Annual Guidance<sup>1</sup>
  - 250,000-270,000 ounces (100% basis)
  - AISC A\$1,250-A\$1,350/oz attributable (US\$885 – US\$955/oz)
- December Quarter guided as higher production & lower cost
  - Plant throughput on fresh rock improved with SAG configuration changes
  - Mine to mill optimisation initiated. Pebble crusher improvements
  - Ball mill fully operational, no further issues anticipated
  - Second mining fleet established
  - TSF lift substantially complete
  - No material COVID-19 impact

# STRONG BALANCE SHEET

## ENHANCED LIQUIDITY AND DEBT FREE

- Cash and equivalents of **A\$103M** at 30 September 2020
- Debt **fully repaid** with final debt repayment of \$25M during the quarter
- Hedged circa 20-25% of production until November 2022. Hedge book is 79,195 ounces at A\$1,853/oz (US\$1,315/oz)
- A\$26.5M realised from sale of listed investment for \$17.2M profit before tax
- Undrawn debt facility of A\$250M after second tranche of A\$150M secured to support potential growth opportunities

### MOVEMENT IN CASH & EQUIVALENTS SEPTEMBER 2020



# CAPITAL MANAGEMENT

## DIVIDEND POLICY IN PLACE

- Target annual aggregate dividend payout of 15%-30% of free cash flow for each calendar year in two half yearly payments\*
- Subject to a minimum net cash balance of A\$100M (after payment of any dividend)
- A\$65.7M in Franking Credits as at 31 December 2019<sup>1</sup>
- Anticipate inaugural dividend declared for 6 month period ended 31 December 2020<sup>2</sup>
- DRP to be established



\*Gold Road determines free cash flow as cash flow before debt and dividends. The Dividend Policy maintains the absolute discretion of the Board of Directors in relation to the declaration of any dividend. Refer to ASX announcement dated 16 September 2020 for further details

<sup>1</sup> As at 31 December 2019

<sup>2</sup> Subject to the Board's discretion. For clarity, the inaugural dividend will be calculated by reference to the free cash flow for that six month period



# EXPLORATION

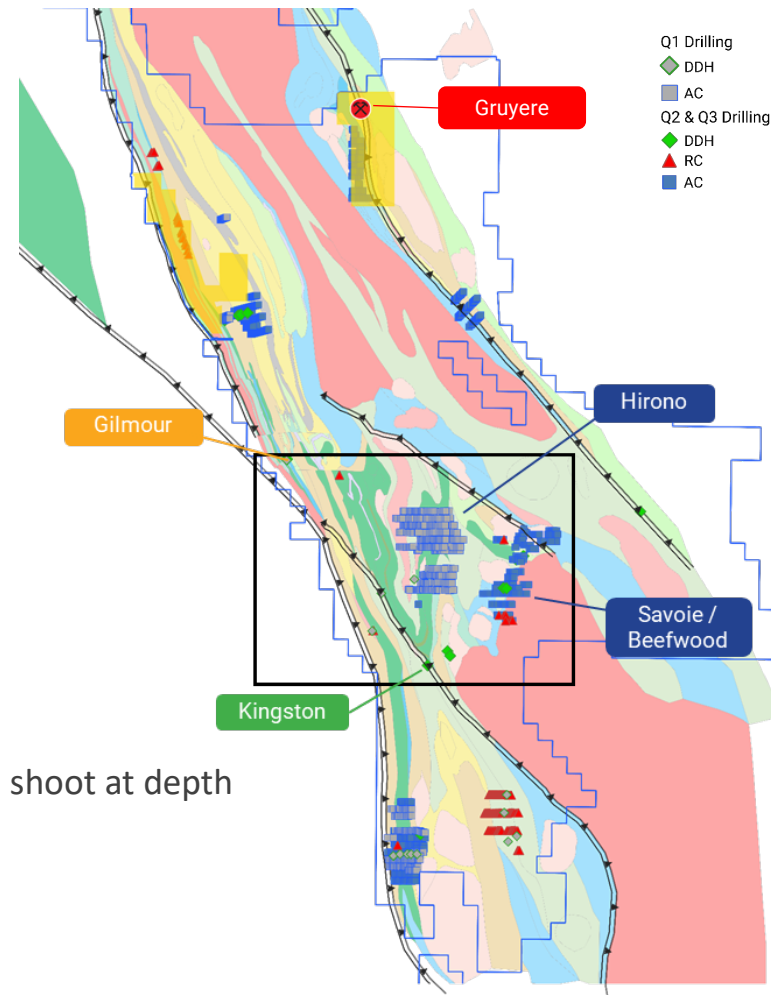
## SOUTHERN EXPLORATION TARGETS

A quarter focused on Southern Project Area (800 km<sup>2</sup>)

- **Kingston:** First diamond hole intersected 1m at 10.4g/t Au
- **Hirono:** Multiple aircore anomalies identified
- **Savoie and Beefwood:** Large regolith anomalies identified
- **Gilmour:** More high-grade gold at Gilmour

High priority targets for December quarter include

- **Hirono & Kingston:** Follow-up aircore, RC and diamond drilling
- **Beefwood:** Complete first pass aircore
- **Gilmour:** Target Resource extensions to north and potential second shoot at depth
- **Smokebush:** RC drilling



# DELIVERING SHAREHOLDER VALUE



## STRENGTH

Strong business and balance sheet



## MARGIN

Consistent low-cost production for >11 years



## GROWTH

Gruyere Operational Excellence  
Discovery  
Corporate Development



## SHAREHOLDER RETURNS\*

TSR (12 months): ~42%

TSR (from Gruyere discovery): ~1,230%



INVESTOR RELATIONS ENQUIRIES  
Duncan Hughes: Manager – Corporate Development & Investor Relations  
Tel: +61 8 9200 1600 | [duncan.hughes@goldroad.com.au](mailto:duncan.hughes@goldroad.com.au) PAGE | 9

# APPENDICES

For all Investor Relations enquiries

Duncan Hughes

Manager – Corporate Development & Investor Relations

Tel: +61 8 9200 1600 | [duncan.hughes@goldroad.com.au](mailto:duncan.hughes@goldroad.com.au)

- Competent Persons Statements
- Mineral Resource Statement
- Ore Reserve Statement



# COMPETENT PERSONS STATEMENT

## Exploration Results

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, and a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne is a shareholder and a holder of Performance Rights. 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.

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## Mineral Resources

The information in this report that relates to the Mineral Resource estimation for Gruyere is based on information compiled by Mr Mark Roux. Mr Roux is an employee of Gold Fields Australia, is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM 324099) and is registered as a Professional Natural Scientist (400136/09) with the South African Council for Natural Scientific Professions. Mr Justin Osborne, Executive Director-Exploration and Growth for Gold Road and Mr John Donaldson, Principal Resource Geologist for Gold Road have endorsed the Mineral Resource for Gruyere on behalf of Gold Road.

- Mr Osborne is an employee of Gold Road and a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne is a shareholder and a holder of Performance Rights.
- Mr Donaldson is an employee of Gold Road and a Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist (MAIG RPGeo Mining 10147). Mr Donaldson is a shareholder and a holder of Performance Rights.

The information in this report that relates to the Mineral Resource estimation for Attila, Orleans, Argos, Montagne, Alaric, YAM14, Central Bore, Gilmour and Renegade is based on information compiled by Mr Justin Osborne, Executive Director-Exploration and Growth for Gold Road, Mr John Donaldson, Principal Resource Geologist for Gold Road and Mrs Jane Levett, previously employed by Gold Road.

- Mrs Levett is a Member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (MAusIMM CP 112232).

Messrs Roux, 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 Roux, 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.

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## Ore Reserves

The information in this report that relates to the Ore Reserve estimation for Gruyere is based on information compiled by Ms Fiona Phillips. Ms Phillips is an employee of Gold Fields Australia and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM 112538). Mr Max Sheppard, formerly Principal Mining Engineer for Gold Road has endorsed the Ore Reserve estimation for Gruyere on behalf of Gold Road.

- Mr Sheppard was an employee of Gold Road and is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM 106864).

The information in this report that relates to the Ore Reserve estimation for Attila, Argos, Montagne and Alaric, is based on information compiled by Mr Max Sheppard, formerly Principal Mining Engineer for Gold Road.

Ms Phillips and Mr Sheppard have 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'. Ms Phillips and Mr Sheppard consent to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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## 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 changed from the original market announcement.

# MINERAL RESOURCE TABLE - DECEMBER 2019

Project Name / Category	Gruyere Project Joint Venture - 100% basis			Gold Road Attributable		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
<b>Gruyere Total</b>	<b>137.95</b>	<b>1.31</b>	<b>5.79</b>	<b>68.97</b>	<b>1.31</b>	<b>2.90</b>
Measured	14.55	1.09	0.51	7.27	1.09	0.26
Indicated	118.19	1.33	5.05	59.10	1.33	2.52
Measured and Indicated	132.74	1.30	5.56	66.37	1.30	2.78
Inferred	5.21	1.39	0.23	2.61	1.39	0.12
<b>Golden Highway + YAM14 Total</b>	<b>15.57</b>	<b>1.46</b>	<b>0.73</b>	<b>7.78</b>	<b>1.46</b>	<b>0.36</b>
Measured	0.29	1.99	0.02	0.14	1.99	0.01
Indicated	11.33	1.48	0.54	5.67	1.48	0.27
Measured and Indicated	11.62	1.50	0.56	5.81	1.50	0.28
Inferred	3.95	1.33	0.17	1.98	1.33	0.08
<b>Central Bore</b>	<b>0.24</b>	<b>13.05</b>	<b>0.10</b>	<b>0.12</b>	<b>13.05</b>	<b>0.05</b>
Measured	-	-	-	-	-	-
Indicated	-	-	-	-	-	-
Measured and Indicated	-	-	-	-	-	-
Inferred	0.24	13.05	0.10	0.12	13.05	0.05
<b>Total Gruyere JV</b>	<b>153.76</b>	<b>1.34</b>	<b>6.62</b>	<b>76.88</b>	<b>1.34</b>	<b>3.31</b>
<b>Measured</b>	<b>14.84</b>	<b>1.11</b>	<b>0.53</b>	<b>7.42</b>	<b>1.11</b>	<b>0.26</b>
<b>Indicated</b>	<b>129.52</b>	<b>1.34</b>	<b>5.59</b>	<b>64.76</b>	<b>1.34</b>	<b>2.79</b>
<b>Measured and Indicated</b>	<b>144.36</b>	<b>1.32</b>	<b>6.12</b>	<b>72.18</b>	<b>1.32</b>	<b>3.06</b>
<b>Inferred</b>	<b>9.40</b>	<b>1.66</b>	<b>0.50</b>	<b>4.70</b>	<b>1.66</b>	<b>0.25</b>

Project Name / Category	Gruyere Project Joint Venture - 100% basis			Gold Road Attributable		
	Tonnes	Grade	Contained Metal	Tonnes	Grade	Contained Metal
	(Mt)	(g/t Au)	(Moz Au)	(Mt)	(g/t Au)	(Moz Au)
Renegade	-	-	-	0.93	1.30	0.04
Measured	-	-	-	-	-	-
Indicated	-	-	-	-	-	-
Measured and Indicated	-	-	-	-	-	-
Inferred	-	-	-	0.93	1.30	0.04
<b>Gilmour OP</b>	-	-	-	<b>1.82</b>	<b>2.21</b>	<b>0.13</b>
Measured	-	-	-	-	-	-
Indicated	-	-	-	0.42	5.81	0.08
Measured and Indicated	-	-	-	0.42	5.81	0.08
Inferred	-	-	-	1.40	1.13	0.05
<b>Gilmour UG</b>	-	-	-	<b>0.78</b>	<b>5.13</b>	<b>0.13</b>
Measured	-	-	-	-	-	-
Indicated	-	-	-	0.30	4.33	0.04
Measured and Indicated	-	-	-	0.30	4.33	0.04
Inferred	-	-	-	0.49	5.62	0.09
<b>Total Gold Road 100% Owned</b>	-	-	-	<b>3.53</b>	<b>2.62</b>	<b>0.30</b>
Measured	-	-	-	-	-	-
Indicated	-	-	-	0.72	5.20	0.12
Measured and Indicated	-	-	-	0.72	5.20	0.12
Inferred	-	-	-	2.82	1.96	0.18
<b>Total Gold Road Attributable</b>	-	-	-	<b>80.41</b>	<b>1.40</b>	<b>3.61</b>
Measured	-	-	-	7.42	1.11	0.26
Indicated	-	-	-	65.48	1.38	2.91
Measured and Indicated	-	-	-	72.90	1.36	3.18
Inferred	-	-	-	7.52	1.77	0.43

# ORE RESERVE TABLE - DECEMBER 2019

Project Name / Category	Gruyere Project Joint Venture – 100% Basis			Gold Road Attributable		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
<b>Gruyere Total</b>	<b>86.84</b>	<b>1.22</b>	<b>3.41</b>	<b>43.42</b>	<b>1.22</b>	<b>1.71</b>
Proved	14.40	1.05	0.49	7.20	1.05	0.24
Probable	72.44	1.26	2.93	36.22	1.26	1.46
<b>Golden Highway Total</b>	<b>6.54</b>	<b>1.46</b>	<b>0.31</b>	<b>3.27</b>	<b>1.46</b>	<b>0.15</b>
Proved	0.32	1.67	0.02	0.16	1.67	0.01
Probable	6.22	1.45	0.29	3.11	1.45	0.15
<b>Total Gruyere JV</b>	<b>93.38</b>	<b>1.24</b>	<b>3.72</b>	<b>46.69</b>	<b>1.24</b>	<b>1.86</b>
Proved	14.73	1.06	0.50	7.36	1.06	0.25
Probable	78.66	1.27	3.22	39.33	1.27	1.61

## NOTES FOR MINERAL RESOURCE AND ORE RESERVE TABLES

- All Mineral Resources and Ore Reserves are completed in accordance with the JORC Code 2012 Edition
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding. All dollar amounts are in Australian dollars
- Mineral Resources are inclusive of Ore Reserves. Gruyere Measured category includes Surface Stockpiles. Gruyere Proved category includes Surface Stockpiles. Mineral Resources and Ore Reserves are depleted for mining
- The Gruyere JV is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd. Figures are reported on a 100% basis unless otherwise specified
- 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
- All Open Pit Mineral Resources are reported at various cut-off grades allowing for processing costs, recovery and haulage to the Gruyere Mill. Gruyere - 0.37 g/t Au. Attila, Argos, Montagne, Orleans, and Alaric - 0.50 g/t Au. YAM14 - 0.40 g/t Au. All Open Pit Mineral Resources are constrained within a A\$1,850/oz optimised pit shell derived from mining, processing and geotechnical parameters from ongoing PFS and operational studies. Underground Mineral Resources at Central Bore are constrained within a 1.5m wide optimised stope with a 3.5 g/t Au cut-off reflective of a A\$1,850/oz gold price
- The Ore Reserves are constrained within a A\$1,600/oz mine design derived from mining, processing and geotechnical parameters as defined by Pre-feasibility Studies and operational studies. The Ore Reserves are evaluated using variable cut-off grades: Gruyere - 0.30 g/t Au. Attila - 0.65 g/t Au (fresh), 0.58 g/t Au (transition), 0.53 g/t Au (oxide). Alaric - 0.59 g/t Au (fresh), 0.56 g/t Au (transition), 0.53 g/t Au (oxide), Montagne - 0.64 g/t Au (fresh), 0.60 g/t Au (transition), 0.58 g/t Au (oxide), Argos - 0.66 g/t Au (fresh), 0.64 g/t Au (transition), 0.59 g/t Au (oxide). Ore block tonnage dilution and mining recovery estimates: Gruyere - 7% and 98%. Attila - 14% and 97%. Alaric - 20% and 94%. Montagne - 9% and 93%. Argos 10% and 88%