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22 November 2016

**BY ELECTRONIC LODGEMENT**

Market Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**ashurst**

Dear Sir / Madam

**Sun Valley Gold Master Fund, Ltd and other Sun Valley Gold entities - Notice of initial substantial holder for Gold Road Resources Limited (ASX: GOR)**

We act for Sun Valley Gold Master Fund, Ltd and other Sun Valley Gold entities (**Sun Valley**).

On behalf of Sun Valley we enclose a notice of initial substantial holder.

Yours faithfully



**Ashurst Australia**

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA  
SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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**Form 603**  
Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme Gold Road Resources Limited

ACN/ARSN 109 289 527

This notice is given by each of Sun Valley Gold Master Fund, Ltd, Sun Valley Gold LLC, Sun Valley Gold International, Ltd, Sun Valley Gold LLC, Palmedo Holdings LLLP and Peter Palmedo and Jane Brittain Palmedo (together the SV Group).

### 1. Details of substantial holder (1)

Name Each member of the SV Group

ACN/ARSN (if applicable) n/a

The holder became a substantial holder on 18/11/16

### 2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	53,690,660	53,690,660	6.17% (based on 870,215,029 shares outstanding)

### 3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Sun Valley Gold Master Fund, Ltd	Entitled to be registered holder in respect of 29,145,877 ordinary shares.	29,145,877 ordinary shares
Sun Valley Gold LP (by its general partner Sun Valley Gold LLC)	Taken under section 608(3)(a) of the Corporations Act to have the relevant interest of Sun Valley Gold Master Fund, Ltd in which it has voting power of greater than 20%.	29,145,877 ordinary shares
Sun Valley Gold International, Ltd	Taken under section 608(3)(a) of the Corporations Act to have the relevant interest of Sun Valley Gold Master Fund, Ltd in which it has voting power of greater than 20%.	29,145,877 ordinary shares
Sun Valley Gold LLC	Power to control the exercise of the right to vote or right to dispose of 29,145,877 ordinary shares by reason of having control of investment decisions as investment manager of Sun Valley Gold Master Fund, Ltd and of Sun Valley Gold International, Ltd and 24,544,783 ordinary shares as investment manager of managed accounts.	53,690,660 ordinary shares
Palmedo Holdings LLLP	Taken under section 608(3)(b) of the Corporations Act to have the relevant interest of Sun Valley Gold LLC by reason of having control as managing member of Sun Valley Gold LLC.	53,690,660 ordinary shares
Peter Palmedo and Jane Brittain Palmedo	Taken under section 608(3)(b) of the Corporations Act to have the relevant interest of Sun Valley Gold LLC by reason of having control as general partners of Palmedo Holdings LLLP which is controlling managing member of Sun Valley Gold LLC, of which Peter Palmedo is also a managing member.	53,690,660 ordinary shares

### 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Sun Valley Gold Master Fund, Ltd	Citicorp Nominees Pty Ltd	Sun Valley Gold Master Fund, Ltd	29,145,877 ordinary shares
Sun Valley Gold LP (by its general partner Sun Valley Gold LLC)	Citicorp Nominees Pty Ltd	Sun Valley Gold Master Fund, Ltd	29,145,877 ordinary shares
Sun Valley Gold International, Ltd	Citicorp Nominees Pty Ltd	Sun Valley Gold Master Fund, Ltd	29,145,877 ordinary shares

Sun Valley Gold LLC	HSBC Custody Nominees (Australia) Limited	Sun Valley Gold LLC	21,008,781 ordinary shares
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## 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See annexure B	See annexure B	See annexure B		See annexure B

## 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Members of the SV Group other than Peter Palmedo and Jane Britain Palmedo	Each controlled by Peter Palmedo and Jane Britain Palmedo

## 7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
See annexure A	See annexure A

## Signature

print name Lara Stone

capacity

Authorised Representative

sign here

date

21/11/2016

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Annexure "A"

This is the Annexure of 1 page marked "A" referred  
to in the form 603 Notice of initial substantial holder

Signed by me and dated



Lara Stone - Authorised Representative

Sun Valley Gold LLC

Name	Address
Peter Palmedo and Jane Brittain Palmedo	PO Box 2211, 620 Sun Valley Road, Ketchum, ID 83340
Palmedo Holdings LLLP	PO Box 2211, 620 Sun Valley Road, Ketchum, ID 83340
Sun Valley Gold LLC	PO Box 2211, 620 Sun Valley Road, Ketchum, ID 83340
Sun Valley Gold International, Ltd	c/o International Management Services Ltd., 3rd Floor Harbour Centre, North Church Street, P.O. Box 61, Grand Cayman KY1-1102, Cayman Islands
Sun Valley Gold LP	PO Box 2211, 620 Sun Valley Road, Ketchum, ID 83340
Sun Valley Gold Master Fund, Ltd	c/o International Management Services Ltd., 3rd Floor Harbour Centre, North Church Street, P.O. Box 61, Grand Cayman KY1-1102, Cayman Islands
HSBC Custody Nominees (Australia) Limited	C/- HSBC BANK AUSTRALIA LTD HSBC Centre 580 George Street Sydney NSW 2000, Australia
Citicorp Nominees Pty Ltd	Level 2, 350 Collins Street, MELBOURNE VIC 3001



**Annexure "B"**

**This is the Annexure of 2pages marked "B" referred  
to in the form 603 Notice of initial substantial holder**

Signed by me and dated



**Lara Stone - Authorised Representative  
Sun Valley Gold LLC**

Date	Transaction	Holder of relevant interest	Consideration given in relation to change	Class and number of securities affected
18/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6232 paid by Sun Valley Gold Master Fund, Ltd	8,848,196 ordinary shares
18/11/16	BUY	Sun Valley Gold LLC	\$0.6232 paid by managed account holders	5,609,641 ordinary shares
17/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.647 paid by Sun Valley Gold Master Fund, Ltd	393,600 ordinary shares
17/11/16	BUY	Sun Valley Gold LLC	\$0.647 paid by managed account holders	246,400 ordinary shares
16/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6455 paid by Sun Valley Gold Master Fund, Ltd	53,796 ordinary shares
16/11/16	BUY	Sun Valley Gold LLC	\$0.6455 paid by managed account holders	34,250 ordinary shares
15/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6305 paid by Sun Valley Gold Master Fund, Ltd	306,500 ordinary shares
15/11/16	BUY	Sun Valley Gold LLC	\$0.6305 paid by managed account holders	193,500 ordinary shares
14/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6222 paid by Sun Valley Gold Master Fund, Ltd	290,625 ordinary shares
14/11/16	BUY	Sun Valley Gold LLC	\$0.6222 paid by managed account holders	174,375 ordinary shares
9/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6811 paid by Sun Valley Gold Master Fund, Ltd	436,614 ordinary shares
9/11/16	BUY	Sun Valley Gold LLC	\$0.6811 paid by managed account holders	265,337 ordinary shares
3/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.60 paid by Sun Valley Gold Master Fund, Ltd	30,750 ordinary shares
3/11/16	BUY	Sun Valley Gold LLC	\$0.60 paid by managed account holders	19,250 ordinary shares
2/11/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.5762 paid by Sun Valley Gold Master Fund, Ltd	504,536 ordinary shares
2/11/16	BUY	Sun Valley Gold LLC	\$0.5762 paid by managed account holders	317,185 ordinary shares

<b>Date</b>	<b>Transaction</b>	<b>Holder of relevant interest</b>	<b>Consideration given in relation to change</b>	<b>Class and number of securities affected</b>
29/9/16	BUY	Sun Valley Gold Master Fund, Ltd	\$0.6282 paid by Sun Valley Gold Master Fund, Ltd	30,000 ordinary shares
28/9/16	BUY	Sun Valley Gold LLC	\$0.6394 paid by managed account holders	1,160,671 ordinary shares
27/9/16	BUY	Sun Valley Gold LLC	\$0.6336 paid by managed account holders	273,997 ordinary shares