

ASX Announcement

20 March 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 Levet

Non-Executive Director

Sharon Warburton

Non-Executive Director

Carol Marinkovich

Company Secretary

Dear Sir / Madam

Gold Road Resources' 2019 Corporate Governance Statement and Appendix 4G

Please find attached Gold Road Resources' 2019 Corporate Governance Statement and Appendix 4G in accordance with Listing Rules 4.7.3 and 4.10.3.

This announcement has been authorised by the Board.

Yours faithfully

Gold Road Resources Limited

A handwritten signature in blue ink, appearing to read "Hayden", with a long horizontal flourish extending to the right.

Hayden Bartrop

Joint Company Secretary

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2019

CORPORATE GOVERNANCE STATEMENT



**GOLD
ROAD**
RESOURCES

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Corporate Governance Statement

The Directors of Gold Road Resources Limited (Gold Road or the Company) support the establishment and on-going development of good corporate governance for the Company. The Board believes that high standards of governance create a corporate culture that values integrity and ethical behaviour.

Gold Road has adopted systems of control and accountability as the basis for the administration of corporate governance. The policies and procedures within these systems are summarised below. The Board is committed to administering the policies and procedures with openness and integrity with the intent of providing a strong framework and practical means for ensuring good governance outcomes which meet the expectations of stakeholders.

The framework for Corporate Governance follows the 3rd Edition of the Principles set out by the ASX Corporate Governance Council.

The Board have implemented policies and practices that are considered appropriate for the Company given its current size and complexity. Where the Board considers the Company is not of sufficient size or complexity to warrant adoption of all the recommendations set out in the ASX Corporate Governance Council's published guidelines or where the recommendation was not adopted for the entire year, these instances have been highlighted.

Further information about the Company's corporate governance practices and the Company's Corporate Governance Statement is set out on the Company's website at www.goldroad.com.au together with the ASX Appendix 4G, and a checklist cross referencing the ASX Principles and Recommendations to disclosures in this statement.

The Board will continue to review and amend its governance policies as appropriate to reflect changes in the Company's growth, operational status, legislation and accepted good practice.

1 Lay Solid Foundations for Management and Oversight

Role of the Board of Directors

The role of the Board is to build long-term sustainable value for its security holders whilst respecting the interests of its stakeholders.

In order to fulfil this role, the Board is responsible for the overall corporate governance of the Company, including formulating its strategic direction, demonstrating leadership and tone from the top, setting remuneration, and monitoring the performance of Directors and Executives. The Board relies on Executives to assist in approving and monitoring expenditure, ensuring the integrity of internal controls and management information systems, and monitoring and approving financial and other reporting.

In complying with **Recommendation 1.1 of the Corporate Governance Council**, the Company has adopted a Board Charter which clarifies the respective roles of the Board and Executives and assists in decision making processes. A copy of the Board Charter and the responsibilities of Executives and senior management are available on the Company's [website](#).



Gold Road Board of Directors site visit to the Gruyere Gold Project - January 2019

Board Processes

An agenda for Board meetings has been determined to ensure certain standing information is addressed and other items which are relevant to reporting deadlines and/or regular reviews are scheduled when appropriate. The agenda is regularly reviewed by the Chairman and the Company Secretary.

Retirement, Re-election and Appointment of New Directors

The constitution of the Company states that Directors cannot hold office for a period longer than three years without submitting themselves for re-election at the next Annual General Meeting, one third of the Directors (excluding the Managing Director) must retire by rotation at each Annual General Meeting together with any new Directors appointed by the Board during the period since the last general meeting. Retiring Directors are eligible to stand for re-election.

If the Board decides to appoint a new member either to complement the existing members or fill a vacancy, through the Remuneration & Nomination Committee it will undertake a process of identifying a wide base of potential candidates with appropriate skills and with consideration to meeting the objectives of its Diversity and Inclusion Policy.

In complying with **Recommendation 1.2 of the Corporate Governance Council**, the Company ensures that:

- a. all appointments to the Board are appropriately background and reference checked; and
- b. in its Notice of Meeting, also ensures that all relevant information specified in the Commentary to Recommendation 1.2 is provided to security holders for the purpose of deciding on whether or not to elect or re-elect Directors.

The Company has a formal induction process, where new Directors appointed to the Board are provided with written material incorporating an overview of Director's duties for public companies together with a detailed appointment letter outlining the Company's expectations and setting out the requirements of the role as well as identifying director interests and potential conflicts.

The Company has complied with **Recommendation 1.3 of the Corporate Governance Council** in that each Director and Executive have written agreements setting out the terms of their appointment.

Role of the Company Secretary

The Company has complied with **Recommendation 1.4 of the Corporate Governance Council**. The Company Secretary is appointed by and is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary acts on all Committees of the Board. Each Director is able to communicate directly with the Company Secretary on all matters relating to the functioning of the Board.

Diversity and Inclusion Policy

The Board has complied with **Recommendation 1.5 of the Corporate Governance Council**. The Company believes that the promotion of diversity on its Board, in senior management and within the organisation is good practice and adds to the strength of the Company.

The Board has adopted a Diversity and Inclusion Policy that details the purpose of the policy, the employee selection and appointment guidelines, consistent with the recommendations of the Corporate Governance Council. A copy of the Diversity and Inclusion Policy is available on the Company's [website](#).

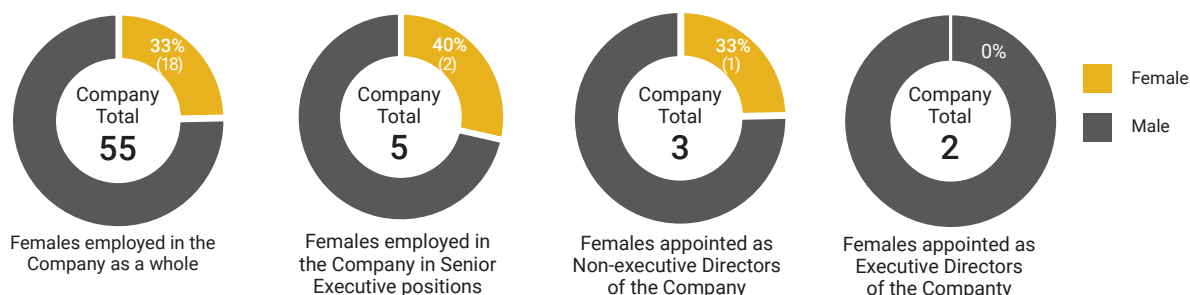
The Board believes that the adoption of an efficient Diversity and Inclusion Policy has the effect of broadening the employee recruitment pool, supporting employee retention and including different perspectives, as well as being socially and economically responsible governance practice. Diversity within the workforce includes such factors as religion, race, ethnicity, language, gender, sexual orientation, disability, age and experience.

The policy affirms existing employment arrangements which seek to attract and retain people by promoting an environment where employees are treated with fairness and respect and have equal access to opportunities as they arise.

The Company employs new employees and promotes current employees on the basis of performance, ability and attitude. The Board is continually reviewing its practices with a focus on ensuring that the selection process at all levels within the organisation is formal and transparent and that the workplace environment is open, fair and accepting.

Gender Diversity

The Company, in keeping with the recommendations of the Corporation Governance Council provides the following information regarding the proportion of gender diversity in the organisation as at 31 December 2019:



Senior Executive positions are defined as any Company Secretary and any person directly reporting to the Chief Executive Officer (CEO), and excludes the Managing Director and Chief Executive Officer and any Executive Director.

The recommendations of the Corporate Governance Council relating to reporting requires a Board to set measurable objectives for achieving diversity within the organisation and to report against them on an annual basis. The Company has implemented measurable objectives as follows:

Measurable Objective	Objective Satisfied	Comment
Adoption and promotion of a Formal Diversity Policy.	✓	The Company has adopted a formal diversity and inclusion policy which has been made publicly available via the Company's website.
To ensure Company policies are consistent with and aligned with the goals of the Diversity and Inclusion Policy.	✓	The Company's selection, remuneration and promotion practices are capability and performance based and as such are consistent with the goals of the Company's Diversity and Inclusion Policy.
To provide flexible work and salary arrangements to accommodate family commitments, study and self-improvement goals, cultural traditions and other personal choices of current and potential employees.	✓	The Company will, where considered reasonable, and without prejudice, accommodate requests for flexible working arrangements.
To embed clear and transparent policies governing reward and recognition practices	✓	The Company grants reward and promotion based on capability and responsibility as part of its annual and on-going review processes.
To provide relevant and challenging professional development and training opportunities for all employees (such as formal training, secondments, coaching and mentoring).	✓	The Company seeks to continually encourage self-improvement in all employees, irrespective of seniority, ability or experience, through secondments, external and internal training courses, coaching, regular staff meetings and relevant on the job mentoring.

The Company has not implemented specific measurable objectives in the form of quotas and/or targets regarding the proportion of females to be employed within the organisation or implemented requirements for a proportion of female candidates for employment, including for Board positions. Whilst not specifically implementing quotas or targets for female participation in the workforce, the Company are implementing campaigns to increase female participation into under-represented areas of the business, such as site geology, field service roles and operational support roles.

Evaluation of Board Performance

The Company has a formal process for the evaluation of the performance of the Board and, as such, does comply with **Recommendation 1.6 of the Corporate Governance Council**. The Board undertakes an annual formal review of its performance. The process includes the completion of individual questionnaires focussed on Board processes, effectiveness and structure as well as the effectiveness and contribution made by each Director. The responses are collated and discussed with a view to considering recommendations for improvement.

In 2019, the Board also undertook an evaluation process of the effectiveness of the Board facilitated by an external party, which included input from each Board member and senior executives. Individual questionnaires focused on the composition of the Board, the Board's role in strategy, knowledge imbalances, engagement of the Board members, moral compass and integrity of the Board, and courage of the Board. The results were discussed and opportunities for improvement actioned.

Evaluation of Executive Performance

The Company has complied with Recommendation 1.7 of the Corporate Governance Council. The Managing Director and Chief Executive Officer currently conducts annual performance appraisal meetings with Executives and senior management incorporating a formal appraisal form and review of each individual's performance and contribution during the year. The Managing Director and Chief Executive Officer's performance is assessed by the independent Non-executive Directors through the Remuneration & Nomination Committee.



Remuneration & Nomination Committee

The selection and appointment process for new Directors is carried out by the Remuneration & Nomination Committee, with reference to the full Board for the final appointment. For further details of the Remuneration & Nomination Committee, please see below under section 8, Remunerate Fairly and Responsibly.

Board Skills and Experience

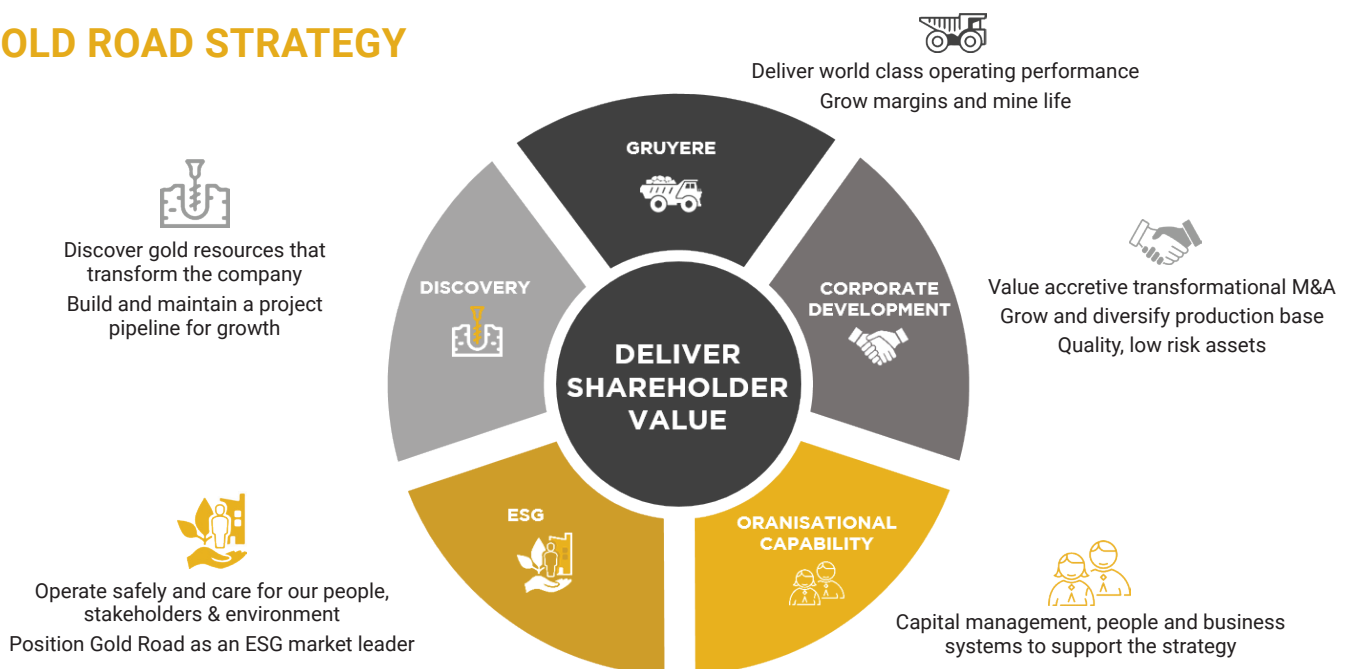
The strategy of the Company is to:

1. Innovatively explore the highly prospective Yamarna Greenstone Belt (and other regions we may enter) for further gold discoveries;
2. Oversee the effectiveness and efficiency of the Gruyere Gold Project, managed by our Joint Venture partner Gruyere Management Pty Ltd (a subsidiary of Gold Fields Ltd) and seek to drive long term value through the optimisation of the Gruyere Gold Project;
3. Positioning the Company to be an eventual operator of its own gold project; and
4. Maintain a strong balance sheet to manage any gold price downturns and capitalise on any growth opportunities.

In accordance with **Recommendation 2.2 of the Corporate Governance Council**, the Board skills required to deliver this strategy are listed in the matrix included here, together with the skills brought by the Company's Directors as at 13 March 2020.

Identified Skills	Executive Directors	Non-Executive Directors
Corporate Governance	2	3
Geology - Mining and Exploration	2	1
Mining	2	2
Accounting - Treasury and Audit	1	2
Gold Industry Knowledge and Direct Experience	2	3
Risk Management	2	3
Investor Relations	2	2
Corporate Transactions	1	3
Project Studies and Construction	2	2
Operations Management	2	2
Funding Mechanisms and Treasury	-	1
Technology	1	1
Health and Safety	2	3
Environmental	2	1

GOLD ROAD STRATEGY



In accordance with **Recommendation 2.3 of the Corporate Governance Council**, Board qualifications and length of service as at 31 December 2019 are summarised in the table below:

Name of Director	Qualifications	Length of Service	Classification
Mr Tim Netscher (Non-executive Chairman)	BSc(Eng) (Chemical), B Com, MBA, CEng, FICHEM, MAICD	5 years and 4 months	Independent
Mr Duncan Gibbs (Managing Director and Chief Executive Officer)	BSc (Hons), MAusIMM, GAICD	1 year and 3 months	Executive
Mr Justin Osborne (Executive Director - Exploration & Growth)	BSc (Hons), FAusIMM, MAICD	5 years	Executive
Ms Sharon Warburton (Non-executive)	B Bus, FCA, GAICD, FAIB	3 years and 8 months	Independent
Mr Brian Levet (Non-executive)	BSc(Hons), MBA	2 years and 4 months	Independent

At this stage of the Company's development the Board believes that there is an appropriate mix of skills, experience and expertise on the Board.

Board Composition

The Constitution of the Company provides that the number of Directors must be at least three. There is no requirement for any shareholding qualification.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board includes the quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the scope of activities of the Company, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

Directors are initially appointed by the Board and are subject to re-election by shareholders at the next general meeting. In any event, one third of the Directors are subject to re-election by shareholders at each general meeting.

During the 12 month period ended 31 December 2019, the Board had a majority of independent Directors and complied with **Recommendation 2.4 of the Corporate Governance Council** from that time. The Board has assessed the independence of the Directors in accordance with the definition contained within the ASX Corporate Governance Principles and Guidelines.

Roles of the Chairman and Chief Executive Officer

The Company has, since 1 July 2016, maintained a separation between the Chairman and Chief Executive Officer roles. The day-to-day management of the Company is overseen by the Managing Director and Chief Executive

Officer, Mr Duncan Gibbs. The Chairman of the Board, Mr Tim Netscher, is an Independent Non-executive Director. **Recommendation 2.5 of the Corporate Governance Council** has therefore been complied with.

Induction and Professional Education

The Company has a formal induction process, where new Directors appointed to the Board are provided with written material incorporating an overview of Director's duties for public companies together with a detailed appointment letter outlining the Company's expectations and setting out the requirements of the role as well as identifying director interests and potential conflicts. New Directors are also introduced to senior executives and encouraged to visit the Company's operations at the Gruyere Gold Project and the Yamarna Exploration Project.

The Company encourages Directors to maintain their knowledge of the specific matters relating to the Company including: the nature of the business, current issues and the corporate strategy. Directors are given access to, and are encouraged to, participate in continuing professional education opportunities to update and enhance their relevant skills and knowledge.

The Company has complied with **Recommendation 2.6 of the Corporate Governance Council**.

Independent Professional Advice and Access to Information

Each Director has the right to access all relevant information in respect to the Company and to make appropriate enquiries of senior management. Each Director has the right to seek independent professional advice on matters relating to him as a Director of the Company at the Company's expense, subject to the Chairman's prior approval, which shall not be unreasonably withheld.

Vision and Values

The Company's values are the guiding principles and norms that define what type of organisation we aspire to be and what it requires from its directors, senior executives and employees to achieve that aspiration.

The Company has articulated its values and a copy is available on the Company's [website](#).



we care for the well being of all



we act with integrity



we deliver



we innovate to improve



we work as one team

Code of Conduct

The Board believes in and supports ethical and responsible decision making. It is expected that all Directors, Executives, managers and employees observe the highest standards of integrity, objectivity and business ethics in conducting their business, striving at all times to enhance the reputation and performance of the Company in respect of legal and other obligations to all legitimate stakeholders.

Accordingly, the Board acknowledges the rights of stakeholders and has adopted a Code of Conduct that applies to all employees, managers, Executives and Directors of the Company in accordance with **Recommendation 3.1(a) of the Corporate Governance Council**. This Code addresses expectations for conduct in the following areas:

- Responsibility to shareholders and financial community;
- Integrity and honesty;
- Respect for laws;
- Conflicts of interests, including gifts and entertainment;
- Protection of assets;
- Confidential information;
- Employment practices;
- Respect for the community;
- Respect for individuals;
- Fair competition and dealing;
- Compliance with Code of Conduct and Reporting; and
- Periodic review of the Code.

In accordance with **Recommendation 3.1(b) of the Corporate Governance Council**, a copy of the Company's Code of Conduct is available on the Company's [website](#).

All breaches of the Company's Code of Conduct, whether material or not, are summarised to the Audit and Risk Committee. Any matter which may cause significant loss to the Company, materially damage the Company's reputation or interests or involves a senior executive or director must be reported to the Chair of the Audit and Risk Committee as soon as possible.

Whistleblower Policy

In committing to the highest standards of conduct and ethical behavior in all our business activities, the Company encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving the Company or any of its joint venture partners, and will ensure that those persons who make a report, are free to do so without fear of intimidation, disadvantage or reprisal. Accordingly, the Board has adopted a Whistleblower Policy and a copy of the Company's Whistleblower Policy is available on the Company's [website](#).

All incidents, whether material or not, are summarised to the Audit and Risk Committee. Any serious or material incident will be considered for immediate referral to the Chair of the Audit and Risk Committee.

Anti-Bribery and Corruption Policy

The Company is committed to conducting its business and activities in accordance with all applicable laws, rules and regulation and with the highest integrity. The Company is committed to a zero tolerance approach to bribery and corruption, in any form, whether in the public or private sector, anywhere in the world. The Company has adopted an Anti-Bribery and Corruption Policy which operates in parallel to the Corporate Code of Conduct, Risk Management Policy, Purchasing Policy and the Whistleblower Policy. A copy of the Company's Anti-Bribery and Corruption Policy is available on the Company's [website](#).

All reports of any breaches or suspected breaches, whether material or not, are dealt with under the Whistleblower Policy, which requires a summary to the Audit and Risk Committee. Any serious or material incident will be considered for immediate referral to the Chair of the Audit and Risk Committee.

Securities Trading Policy

The Board has committed to ensuring that the Company, its Directors and Executives, managers and employees comply with their legal obligations as well as conducting their business in a transparent and ethical manner. The Board has adopted a policy on dealing in the Company's securities by Directors, Executives, managers and employees which prohibits dealing in the Company's securities when those persons possess market sensitive information. Further, in keeping with Listing Rule Amendments, additional restrictions are placed on trading by relevant persons including Directors, Key Management Personnel and employees. The policy also provides that notification of intended trading by Directors should be given to the Chairman prior to trading. A copy of the Policy for dealing in Company Securities is available on the Company's [website](#).

The law prohibits insider trading and the Corporations Act and the ASX Listing Rules require disclosure of any trading undertaken by Directors or their related entities in the Company's securities.

Audit & Risk Committee

The Audit & Risk Committee is comprised of three Non-executive Directors and is chaired by an Independent Director who is not the Chairman of the Board. The members of the Audit & Risk Committee are Sharon Warburton (Chairperson), Tim Netscher and Brian Levet. Ms Warburton is a Fellow of Institute of Chartered Accountants Australia New Zealand. All the members of the Audit & Risk Committee are independent and the chair is an independent director who is not chair of the Board and the Company therefore complies with **Recommendations 4.1(a)(1) and 4.1(a)(2) of the Corporate Governance Council**. The Charter of the Audit and Risk is disclosed on the Company's [website](#) in accordance with **Recommendation 4.1(a)(3) of the Corporate Governance Council**.

The relevant qualifications and experience of the committee members can be found in their biographical information in the Director's Report in the Financial Statements on page 58 as recommended by **Recommendation 4.1(a)(4) of the Corporate Governance Council**.

In accordance with **Recommendation 4.1(a)(5) of the Corporate Governance Council**, during the 12 month period ended 31 December 2019, the Audit & Risk Committee held four meetings at which all eligible committee members attended.

The responsibilities of the Audit & Risk Committee include the appointment, compensation and oversight of the independent auditor, the review of the published financial reports and a review of the risk management and internal control system. The Audit & Risk Committee is informed of any breaches of the Company's Code of Conduct and Anti-Bribery and Corruption Policy, and any reports under the Whistleblower Policy.

Financial Reporting

The Board relies on Executives and senior management to monitor the internal controls within the Company. During the 12 month period ended 31 December 2019, financial performance was monitored on a regular basis by the Managing Director and Chief Executive Officer and the General Manager - Finance who report to the Board at the scheduled Board meetings.

In accordance with Recommendation 4.2 of the Corporate Governance Council, the Board requires the Managing Director and Chief Executive Officer and the General Manager - Finance (or equivalent) to provide a written declaration that the financial statements of the Company

present a true and fair view, in all material aspects, of the financial position and operational results and have been prepared in accordance with Australian Accounting Standards and the Corporations Act. The Board also requires that the Managing Director and Chief Executive Officer and General Manager - Finance (or equivalent) provide sufficient assurance that the declaration is founded on a sound system of risk management and internal control, and that the system is working effectively.

The Board also requires a similar process to verify the integrity of any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor. Details of the verification process for periodic corporate reports are disclosed in Annexure A to the Continuous Disclosure Policy, which is available on the Company's [website](#).

External Auditors

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. Performance of the external auditor is reviewed annually by the Board. Auditor rotation is required by the Corporations Act 2001. The external auditor is required to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report in accordance with **Recommendation 4.3 of the Corporate Governance Council**.



Timely and Balanced Disclosure

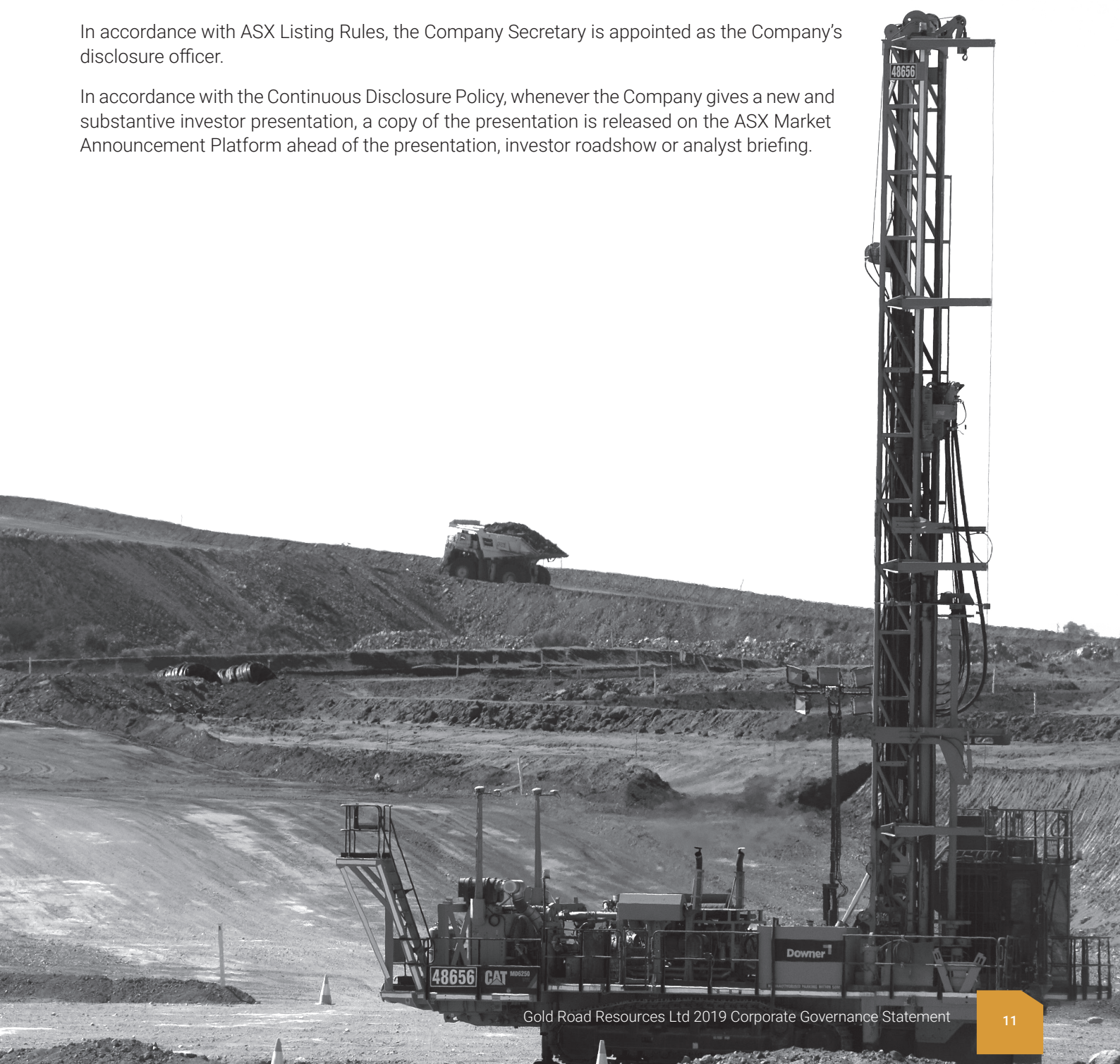
The Board is committed to the promotion of investor confidence by providing full and timely information to all security holders and market participants about the Company's activities and to comply with the continuous disclosure requirements contained in the Corporations Act 2001 and the ASX Listing Rules.

The Company has adopted formal written policies and procedures, designed to ensure compliance with the ASX Listing Rule requirements, in accordance with **Recommendation 5.1 of the Corporate Governance Council**. A copy of the Continuous Disclosure Policy is available on the Company's [website](#).

Continuous disclosure is discussed at all regular Board meetings and on an on-going basis. The Board ensures that all activities are reviewed with a view to the necessity for disclosure to security holders. The Board receives copies of all market announcements (whether material or not) immediately on release to the market, ensuring timely visibility of the nature and quality of information being disclosed to the market and the frequency of such disclosures.

In accordance with ASX Listing Rules, the Company Secretary is appointed as the Company's disclosure officer.

In accordance with the Continuous Disclosure Policy, whenever the Company gives a new and substantive investor presentation, a copy of the presentation is released on the ASX Market Announcement Platform ahead of the presentation, investor roadshow or analyst briefing.



Communications

The Board fully supports security holder participation at general meetings as well as ensuring that communications with security holders are effective and clear. This has been incorporated into a formal shareholder communication strategy, and so complies with **Recommendations 6.1 to 6.4 of the Corporate Governance Council**.

A copy of the Shareholder Communications Policy is available on the Company's [website](#).

The Company has provided information about itself and its governance on its website, in accordance with **Recommendation 6.1 of the Corporate Governance Council**.

In addition to electronic communication via the ASX website, the Company publishes all ASX releases including Annual and Half-Yearly financial statements on the Company's website.

In accordance with **Recommendation 6.2 of the Corporate Governance Council**, Gold Road has a detailed investor relations program, which includes a detailed program of scheduled and ad hoc interactions with institutional investors, sell-side and buy side analysts, financial media and proxy advisers. In 2019, Gold Road increased its focus on retail investors, with investor briefings in major cities in Australia open to all shareholders, enabling retail investors to meet with senior executives and ask questions regarding the performance, management and governance of the Company. This was in addition to attending several retail focused investor conferences and offering free tickets to attend these conferences to shareholders.

In considering **Recommendation 6.3 of the Corporate Governance Council**, at the 2019 Annual General Meeting (AGM), the Company video recorded the Managing Director and CEO's AGM presentation and published the recording on the website. At the 2020 Annual General Meeting, the Company will continue this practice and extend the recording to the questions and answers session. Finally, the Company will provide an opportunity for shareholders, who may not be able to attend, to submit questions to the Company Secretary. The Chair will consider the submitted questions and attempt to address at the meeting the key themes raised and a written response published on the Company's website. Shareholders can pose questions on the audit process and the financial statements directly to the independent auditor who is required to attend the Company's Annual General Meeting for that purpose. In 2019, the Company decided all resolutions by poll rather than a show of hands.

The Company strongly believes in the speed, convenience and environmental friendliness of electronic communications between the Company (or its share registry) and shareholders. All shareholders have the option of receiving part or all of their communications electronically, and the Company regularly encourages shareholders to elect for, or transition to, electronic communications. The Company promotes easily readable communications, and simple voting options (including via mobile devices). Accordingly, the Company is compliance with **Recommendation 6.4 of the Corporate Governance Council**. Contact details for the Company's share registry are made available for security holders on the website and in key communications to shareholders.



Duncan Gibbs, MD & CEO presenting at Gold Road's annual Retail Investor Presentation - Melbourne July 2019

Audit & Risk Committee

The Audit & Risk Committee oversee the effectiveness of the risk management and internal control system on behalf of the Board, and thereby adheres with **Recommendation 7.1 of the Corporate Governance Council** (for more details on the Audit & Risk Committee, refer to Corporate Governance Council Principle 4). The Board delegates day-to-day management of risk to the Managing Director and Chief Executive Officer and senior management. These responsibilities include implementing and maintaining a system to enable risk to be identified, assessed and managed. Any material risks including those relating to the economic, environmental and social sustainability of the Company are regularly reported to the Board. A copy of the Company's Risk Management Policy is available on the Company's [website](#).

Risk Management and Internal Control System

The Company has a formal risk management and internal control system that describes the structure and activity requirements to give effect to Company's Risk Management Policy. The Managing Director and Chief Executive Officer is ultimately responsible for ensuring risk management is appropriately adopted across the Company, and management provide ongoing leadership to ensure risk management is reflected in decision making, planning and day to day activities.

The risk management and internal control system is integrated into the Company's activities to ensure the timely recognition and management of risks. In addition, the Company annually reviews whether the Company is operating with due regard to the risk appetite set by the Board and considers contemporary and emerging risks. In particular, the Company has specifically focused on cyber-security and sustainability and climate change risks. In accordance with **Recommendation 7.2 of the Corporate Governance Council**, the Audit & Risk Committee review the effectiveness of the system to ensure its ongoing effectiveness.

Internal Audit

The Company has recently engaged an outsourced audit provider to monitor the effectiveness of risk management and internal control systems which will report through the Audit & Risk Committee to the Board.

The Company has in place a formal control hierarchy to enable the systematic design and implementation of fit for purpose controls.

A control monitoring and assurance process is integrated with the risk management and internal control system to enable management to provide reasonable assurance to the Board and Executives that material risks are being effectively managed.

Accordingly, the Company has complied with **Recommendation 7.3(b) of the Corporate Governance Council**

Economic, Environmental and Social Sustainability Risks

The Company maintains a series of risk registers that contain risks and controls specific to that area of the Company. These risk registers describe the risks preventing the achievement of the Company's objectives, which include economic, environmental and social sustainability objectives. The material risks and corresponding controls within these risk registers are formally reviewed by senior management and reported to the Board during each reporting period. In accordance with **Recommendation 7.4 of the Corporate Governance Council**, the Company publicly discloses in its Annual Report on page 8 its material exposure to economic, environmental and social risks and controls to manage such risks.

The Company's remuneration policy is to ensure that the remuneration package properly reflects the relevant individual's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality and is aligned with delivering sustainable shareholder value.

Disclosure of the details of the nature and amount of each element of Directors', including Non-executive Directors, and Executive's remuneration is included in the Remuneration Report forming part of the Director's Report in the Financial Statements.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee was established to assist the Board by making recommendations on remuneration packages for Executive and Non-Executive Directors, and where appropriate, senior management. In addition, the Remuneration & Nomination Committee reviews proposed long and short term incentive plans including the appropriate use of performance based hurdles, and retirement and termination benefits.

In accordance with **Recommendations 2.1(a) and 8.1(a) of the Corporate Governance Council:**

Remuneration & Nomination Committee Recommendation	Compliance
Consists of three Independent Non-executive Directors: <ul style="list-style-type: none"> Brian Levet (Chairperson) Tim Netscher Sharon Warburton 	✓
Chaired by an Independent Director who is not the Chairperson of the Board	✓
The majority of members are independent	✓
The Charter is available on the Company's website	✓
During the 12 month period ended 31 December 2019, the Remuneration & Nomination Committee held four meetings at which all eligible committee members attended	✓

The Remuneration & Nomination Committee Charter clearly sets out the role and responsibilities of the Remuneration & Nomination Committee and the charter terms provide the Remuneration & Nomination Committee with the ability to access internal and external resources as appropriate.

Distinguish Between Executive and Non-executive Remuneration

The Company does distinguish between the remuneration policies and practices of its Executive and Non-executive Directors in accordance with **Recommendation 8.2 of the Corporate Governance Council.**

Executive Directors receive salary packages which include performance based components, designed to reward and motivate and to be aligned with delivering sustainable shareholder value, including the granting of Options and Performance Rights, subject to shareholder approval and with vesting conditions relating to continuity of engagement. The Remuneration Committee has absolute reasonable discretion to vest any shares regardless of whether the Executive Directors have met the vesting conditions, including for individual performance issues. Following vesting of performance rights, there are no restrictions on disposal. In the event of serious misconduct, the Company may reduce or cancel any unvested performance rights. For Performance Rights granted from 2020 onwards, in the event of serious misconduct the Board may also clawback previously vested shares from a participant within two years from the date of delivery of share (or receipt of cash paid in lieu of delivering shares).

Non-executive Directors receive fees agreed on an annual basis by the Board, within total Non-executive remuneration limits voted upon by shareholders at Annual General Meetings.

The Board ensures that all matters of remuneration will continue to be in accordance with Corporations Act requirements, by ensuring that none of the Directors participate in any deliberations regarding their own remuneration or related issues. To the extent that additional Directors and Executives are appointed in the future and the scope of the Company's activities expands, the Company will reconsider whether a change in the structure of executive remuneration is appropriate.

The Company does not have a minimum shareholding requirement. The Company strongly encourages Directors and senior executives to have "skin in the game" to align the interests of Directors and senior executives with those of the investors they represent. However, the Company is cognisant that minimum shareholding requirements may have unintended consequences, including precluding candidates who are financially unable to meet that commitment, and secondly, having a significant amount of wealth concentrated in one asset, where the primary

driver is the gold price which is largely beyond the influence of Directors and senior executives (except via limited gold hedging). Despite not having a minimum shareholding, the Company provides transparency of share ownership for Directors on page 42 in the Director's Report included in the Financial Statements. Additionally, rather than having a 100% cash bonus for short term incentives, the Company pays 50% in cash and 50% in shares to increase the equity exposure for Executive Directors and senior executives to increase "skin in the game".

For details on the amount of remuneration and all monetary and non-monetary components for all Directors and Key Management Personnel, please refer to the Remuneration Report in the Director's Report included in the Financial Statements.

Securities Trading Policy

The Gold Road Securities Trading Policy specifically prohibits Directors, officers and senior executives from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes. Additionally, all employees are prohibited from short selling, or trading in derivative products or margin lending arrangements. A copy of the Securities Trading Policy, which complies with **Recommendation 8.3 of the Corporate Governance Council**, is available on the Company's [website](#).



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**GOLD
ROAD**
RESOURCES



Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

GOLD ROAD RESOURCES LIMITED

ABN / ARBN:

13 109 289 527

Financial year ended:

31 December 2019

Our corporate governance statement² for the above period above can be found at:³

☐ These pages of our annual report:

☒ This URL on our website: <https://goldroad.com.au/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 13 March 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Signed:



Date:

19 March 2020

Name of Director or Secretary authorising
lodgement:

Hayden Bartrop, Joint Company Secretary

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/ ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/ ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and that such a review has taken place in the reporting period covered by this Appendix 4G: <input checked="" type="checkbox"/> in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at https://goldroad.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>