



**GOLD  
ROAD**  
RESOURCES  
ABN 13 109 289 527

**NOTICE OF ANNUAL GENERAL MEETING  
&  
EXPLANATORY STATEMENT**

**To be held**  
At 10.00 am (Perth time), Tuesday, 24 November 2015

**at**  
The Celtic Club  
48 Ord Street, West Perth WA 6005

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**GOLD ROAD RESOURCES LIMITED**  
ABN 13 109 289 527  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Gold Road Resources Limited will be convened at 10.00am (Perth time) on Tuesday, 24 November 2015 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

**AGENDA**

**Ordinary business**

**1. Discussion of Financial Statements and Reports**

To discuss the Financial Report, the Directors' Report and Auditor's Report for the year ended 30 June 2015.

**2. Resolution 1 – Adoption of the Remuneration Report**

To adopt the Remuneration Report for the financial year ended 30 June 2015.

**3. Resolution 2 – Re-election of Director – Mr Justin Osborne**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of clause 19.4 of the Company's Constitution and for all other purposes, Mr Justin Osborne, having been appointed a Director on 1 January 2015 retires under clause 19.4, and being eligible, is re-elected as a Director of the Company."*

**4. Resolution 3 – Re-election of Director – Mr Martin Pyle**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of clause 20.2 of the Company's Constitution and for all other purposes, Mr Martin Pyle retires by rotation, and being eligible, is re-elected as a Director of the Company."*

**Special business**

**5. Resolution 4 – Grant of Performance Rights to Mr Ian Murray – 2018 LTI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of up to 1,125,000 Performance Rights under the Company's Employee Incentive Plan to Mr Ian Murray on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**6. Resolution 5 – Grant of Performance Rights to Mr Ian Murray – FY 2015 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 376,203 Performance Rights under the Company's Employee Incentive Plan to Mr Ian Murray on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**7. Resolution 6 – Grant of Performance Rights to Mr Ian Murray – FY 2016 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of up to 281,250 Performance Rights under the Company's Employee Incentive Plan to Mr Ian Murray on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**8. Resolution 7 – Grant of Performance Rights to Mr Justin Osborne – 2018 LTI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of up to 397,727 Performance Rights under the Company's Employee Incentive Plan to Mr Justin Osborne on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**9. Resolution 8 – Grant of Performance Rights to Mr Justin Osborne – FY 2015 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 132,673 Performance Rights under the Company's Employee Incentive Plan to Mr Justin Osborne on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**10. Resolution 9 – Grant of Performance Rights to Mr Justin Osborne – FY 2016 STI Program**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That for the purposes of ASX Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of up to 139,205 Performance Rights under the Company's Employee Incentive Plan to Mr Justin Osborne on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**11. Resolution 10 – Issue of NED Options to Mr Martin Pyle**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 250,000 NED Options to Mr Martin Pyle or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**12. Resolution 11 – Issue of NED Options to Mr Russell Davis**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 250,000 NED Options to Mr Russell Davis or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**13. Resolution 12 – Issue of NED Options to Mr Tim Netscher**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 250,000 NED Options to Mr Tim Netscher or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**14. Resolution 13 – Ratification of Prior Issue of Equity Securities**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 89,262,773 ordinary fully paid shares in the Company on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**15. Resolution 14 – Change in Non-executive Director Remuneration**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.17 and Clause 21.1 of the Company's Constitution, the maximum aggregate amount payable to Non-executive Directors of the Company be increased by \$150,000 from \$350,000 per annum to \$500,000 per annum."*

## VOTING PROHIBITION AND VOTING EXCLUSION STATEMENTS

### Resolution 1 – Adoption of the Remuneration Report

#### Voting Prohibition Statement:

In accordance with the Corporations Act, a vote on Resolution 1 (Adoption of the Remuneration Report) must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; and
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chairman of the Meeting and the appointment of the Chairman as proxy:
  - i. does not specify the way the proxy is to vote on Resolution 1; and
  - ii. expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### Resolutions 4 - 9 - Grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne

#### Voting Prohibition Statement:

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolutions 4 - 9 on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related Party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolutions 4 - 9 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolutions 4 - 9; or
- (b) the proxy is the Chairman, who may vote in favour of Resolutions 4 - 9 in accordance with an express authorisation on the Proxy Form.

In addition, a vote on Resolutions 4 - 9 must not be cast (in any capacity) by or on behalf of Mr Murray or Mr Osborne (in respect of their relevant Resolutions) or any of their associates. However, this prohibition does not apply if:

- (a) the vote is cast by a person as proxy and the proxy form specifies how the proxy is to vote on Resolutions 4 - 9; and
- (b) the vote is not cast on behalf of Mr Murray or Mr Osborne (as appropriate), their associates or any related party of them.

#### Voting Exclusion Statement:

The Company will disregard any votes cast on Resolutions 4 - 9 by or on behalf of a Director and an associate of a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company or any associate of such Director), as required by Listing Rule 10.14.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### Resolutions 10 - 12 – Issue of Options to Mr Martin Pyle, Mr Russell Davis and Mr Tim Netscher

#### Voting Prohibition Statement:

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolutions 10 - 12, on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related Party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolutions 10 - 12 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolutions 10 - 12; or
- (b) the proxy is the Chairman, who may vote in favour of Resolutions 10 - 12 in accordance with an express authorisation on the Proxy Form.

In addition, a vote on Resolutions 10 - 12 must not be cast (in any capacity) by or on behalf of Mr Pyle, Mr Davis or Mr Netscher (in respect of their relevant Resolutions) or any of their associates. However, this prohibition does not apply if:

- (a) the vote is cast by a person as proxy and the proxy form specifies how the proxy is to vote on Resolutions 10 - 12; and
- (b) the vote is not cast on behalf of Mr Pyle, Mr Davis or Mr Netscher (as appropriate), their associates or any related party of them.

**Voting Exclusion Statement:**

As required by Listing Rule 10.11 the Company will disregard any votes cast on:

- (a) Resolution 10 by or on behalf of Mr Pyle and any of his associates;
- (b) Resolution 11 by or on behalf of Mr Davis and any of his associates; and
- (c) Resolution 12 by or on behalf of Mr Netscher and any of his associates.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Resolution 13 – Ratification Prior issue of Equity Securities**

**Voting Exclusion Statement:**

In accordance with Listing Rule 7.5, the Company will disregard any votes cast on Resolution 13 by or on behalf of any person who participated in the relevant share issue the subject of Resolution 13 and any of their associates.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Resolution 14 – Change in Non-executive Director Remuneration**

**Voting Prohibition Statement:**

In accordance with the Corporations Act, a person appointed as proxy must not vote on Resolution 14, on the basis of that appointment, if that person is:

- (a) a member of Key Management Personnel as at the date of the Meeting; or
- (b) a Closely Related party of such a member (including spouses, dependents and controlled companies).

However, a person described above may cast a vote on Resolution 14 if the person does so as a proxy for a person who is entitled to vote where:

- (a) the Proxy Form specifies how the proxy is to vote on Resolution 14; or
- (b) the proxy is the Chairman, who may vote in favour of Resolution 14 in accordance with an express authorisation on the Proxy Form.

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 14 by or on behalf of a Director and an associate of a Director, as required by Listing Rule 10.17.

However, the Company need not disregard a vote cast if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## VOTING AT THE ANNUAL GENERAL MEETING

### Voting Entitlements

The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations, that Shareholders entitled to vote at the Meeting will be the registered holders of Shares (**Registered Shareholders**) at 10.00am (Perth time) on Sunday, 22 November 2015.

Shareholders who become Registered Shareholders by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact the Company for further information and to request a Proxy Form.

Shareholders who become beneficial Shareholders (**Beneficial Shareholders**) of Shares by acquiring Shares between the Notice Record Date and the Voting Record Date and wish to vote at the Meeting by proxy should contact their broker or intermediary for instructions on how to do so.

### How to vote:

You may vote by attending the Meeting in person, by proxy, or by appointing an authorised representative.

#### *Voting in Person*

To vote in person, attend the Meeting on the date and at the place set out above. If possible, Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's share register and note attendance.

#### *Appointment of Proxies*

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a Shareholder.

A Shareholder that is entitled to cast two or more votes may appoint two proxies and may specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

#### *Deadline*

Proxy Forms must be received by 10.00am (Perth Time) on Sunday, 22 November 2015.

#### *How to lodge Proxy Forms*

You can lodge your Proxy Forms with the Company by:

Mail or delivery to:

Security Transfer Registrars Pty Ltd  
Alexandrea House  
Suite 1, 770 Canning Highway  
Applecross WA 6153 Australia

Email: registrar@securitytransfer.com.au

Facsimile: +61 8 9315 2233

Electronically: www.securitytransfer.com.au

Further details on how to lodge your Proxy Form can be found on the Proxy Form.

### Enquiries

If you have any questions about this Notice or your Proxy Form please contact Security Transfer Registrars Pty Ltd by telephone at +61 8 9315 2333 or the Company Secretary, by telephone at +61 8 9316 9100.

#### *Voting by proxy*

A Shareholder can direct its proxy to vote for, against or abstain from voting on each resolution by marking the appropriate box in the Voting directions to your proxy section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the Chairman is to act as your proxy in relation to Resolution 1 (Adoption of the Remuneration Report), Resolutions 4 - 9 (Approval of the grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne), Resolutions 10 - 12 (Issue of Options to Mr Martin Pyle, Mr Russell Davis and Mr Tim Netscher) or Resolution 14 (Change in Non-executive Director Remuneration), and you have not given directions on how to vote by completing the appropriate box in the voting directions to your proxy section of the Proxy Form, the Proxy Form expressly directs and authorises the Chairman to cast your votes "for" the relevant resolution. This express authorisation is included because without it the Chairman would be precluded from casting your votes as these resolutions are connected with the remuneration of Key Management Personnel.

The Chairman will vote all undirected proxies in respect of Resolutions 1 - 14 in favour of the relevant resolution.

If you are in any doubt as to how to vote, you should consult your professional adviser.

## VOTING AT THE ANNUAL GENERAL MEETING

### *Appointment of corporate representatives*

Any corporate Shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- a letter or certificate executed in accordance with the Corporations Act authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- a copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

The appointment of a corporate representative must be received by the Company, or the Company's share registrar Security Transfer Registrars Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting. Certificates of appointment of corporate representatives are available at [www.securitytransfer.com.au](http://www.securitytransfer.com.au) or on request by calling +61 8 9315 2333.

### **Beneficial Shareholders**

If you are a Beneficial Shareholder and have received these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or other intermediary.

### **Key Dates**

Event	Date
Determination of voting eligibility	5.00pm (Perth time) on Monday, 23 November 2015
Deadline for lodgement of Proxy Forms	10.00am (Perth time) on Sunday, 22 November 2015
Annual General Meeting	10.00am (Perth time) on Tuesday, 24 November 2015

### **Enquiries**

Shareholders are invited to contact the Company Secretary by telephone on +61 8 9316 9100 if they have any queries in respect of the matters set out in these documents.

### **BY ORDER OF THE BOARD**

Kevin R Hart  
Company Secretary

Dated this 22<sup>nd</sup> day of October 2015



## **EXPLANATORY STATEMENT**

This Explanatory Statement and all attachments are important documents. They should be read carefully. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company Secretary on +61 8 9316 9100, or consult your stockbroker or other professional adviser.

### **GENERAL INFORMATION**

This Explanatory Statement has been prepared for the Shareholders in connection with the Annual General Meeting of the Company to be held on 24 November 2015.

The purpose of this Explanatory Statement is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the resolutions detailed in the Notice of Meeting.

#### **1. Discussion of Financial Statements & Reports**

The Company's financial reports and the directors' declaration and reports and the auditor's report (**Financial Statements**) are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The auditor will be attending the Annual General Meeting and will be available to answer any questions relevant to the conduct of the audit and his report.

No vote will be taken on the Financial Statements. However, shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Financial Statements.

#### **2. Resolution 1: Adoption of Remuneration Report**

The Annual Report for the year ended 30 June 2015 contains the Remuneration Report which:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors of the Company;
- sets out the remuneration details for each Director; and
- sets out the details of any Share based compensation.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report and in the Annual Reports section of the website at [www.goldroad.com.au](http://www.goldroad.com.au).

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chairman of the Meeting will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the Meeting.

The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") on whether the Board should be put up for re-election. If the spill resolution is passed, another meeting must be held within 90 days at which all of the Company's Directors (other than the Executive Chairman) who were in office at the date of approval of the applicable Directors' Report must go up for re-election.

At the Company's 2014 AGM, less than 25% of the votes cast on the resolution to adopt the 2014 Remuneration Report were voted against the resolution. Accordingly, regardless of the voting on Resolution 1, no spill resolution is required to be held at this AGM.

#### **Directors' Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 1.

**EXPLANATORY STATEMENT**

**3. Resolution 2: Re-election of Director – Justin Osborne**

**Background**

In accordance with Clause 19.4 of the Company's Constitution, Mr Justin Osborne retires after being appointed on 1 January 2015, and being eligible, offers himself for re-election as a Director.

Details of Mr Osborne's experience and qualifications are set out below.

<i>Qualifications:</i>	Mr Osborne is a Fellow of the Australasian Institute of Mining and Metallurgy and holds a Bachelor of Science, Honours (First Class) from La Trobe University of Victoria.
<i>Term of Office:</i>	Director since 1 January 2015
<i>Independent:</i>	No, as Mr Osborne is an executive of the Company
<i>Skills and experience</i>	Mr Osborne has over 25 years of field and management experience covering all aspects of the mining and exploration process in Australia and internationally through senior positions held with Gold Fields Ltd, WMC Resources Ltd. Previously Mr Osborne was Vice President Development Strategy - Growth and International Projects at Gold Fields Ltd and was responsible for actively seeking mining and exploration opportunities globally. He played an instrumental role in the discovery of the Damang Superpit project in Ghana which yielded potential resource in excess of 6 Moz within 2 years and the first ever near mine exploration activities at the Cerro Corona mine in Peru that contributed to reserve growth of over 1Moz. Prior to that Mr Osborne was Mineral Resource Manager at the St Ives Gold Mine, making the discoveries of the Athena and Hamlet deposits among other significant Reserve additions.

**Directors' Recommendation**

The Board (excluding Mr Justin Osborne) recommends that Shareholders vote in favour of the re-election of Mr Justin Osborne as a Director.

**4. Resolution 3: Re-election of Director – Martin Pyle**

**Background**

In accordance with Clause 20.2 of the Company's Constitution, Mr Martin Pyle retires by rotation, and being eligible, offers himself for re-election as a Director.

Details on Mr Martin Pyle's experience and qualifications are set out below.

<i>Qualifications:</i>	Mr Pyle holds a Bachelor of Science (First Class Honours – Geology) and an MBA.
<i>Term of Office:</i>	Director since 22 June 2010
<i>Independent:</i>	Yes
<i>Skills and experience</i>	Mr Pyle is a mining industry consultant with over 25 years' experience in the resources industry in Australia. His previous roles have included Corporate Finance Executive with prominent east and west coast broking firms where he was responsible for the generation and execution of resources-related equity raisings, mergers and acquisitions, corporate advisory and research. Most recently he has provided corporate advisory services to a number of junior resource companies and is Managing Director of Aurora Minerals Limited and Executive Director of Peninsula Mines Limited.
<i>Special Responsibilities:</i>	Remuneration Committee Chairman and member of the Audit and Nomination Committees

**Directors' Recommendation**

The Board (excluding Mr Martin Pyle) recommends that Shareholders vote in favour of the re-election of Mr Martin Pyle as a Director.

**5. Resolutions 4 to 9: Grant of Performance Rights to Mr Ian Murray and Mr Justin Osborne**

**5.1 Background**

Mr Ian Murray is the Executive Chairman of the Company. Mr Justin Osborne is an Executive Director of the Company.

The Board is seeking Shareholder approval to grant Performance Rights to Messrs Murray and Osborne (or their nominees), in accordance with the terms and conditions of the Employee Incentive Plan.

The Employee Incentive Plan was approved by Shareholders at the Annual General Meeting held on 18 November 2013. The key terms and conditions of the Employee Incentive Plan are summarised in Appendix A and will apply to the Performance Rights that are proposed to be issued.

Each Performance Right represents a right to be issued a Share at a future point in time subject to the satisfaction of any conditions relating to vesting, performance hurdles and/or exercise.

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### Background to the 2018 Long Term Incentive (LTI) program (Resolutions 4 and 7)

Resolutions 4 and 7 seek Shareholder approval pursuant to Listing Rule 10.14 to grant up to:

- (a) 1,125,000 Performance Rights to Mr Ian Murray (or his nominee); and
  - (b) 397,727 Performance Rights to Mr Justin Osborne (or his nominee),
- (together, the **LTI Performance Rights**).

The Board has granted the LTI Performance Rights as part of Messrs Murray and Osborne's respective long term incentive portions of their remuneration packages. Eligibility to receive the LTI Performance Rights is dependent upon achieving future Company hurdles which have been developed in support of the Company's strategic plan.

The Company's remuneration policy for long term incentives is included in the 2015 Annual Report. The Company's remuneration policy is to ensure executive remuneration is competitive in retaining and motivating key executives. The granting of these LTI Performance Rights, which may only vest in over three years' time, will provide a long term incentive for continued outstanding performance and the opportunity for share ownership.

The proposed grant of LTI Performance Rights seeks to further align their interests with those of Shareholders by linking their remuneration with the long term performance of the Company.

The key vesting condition is that Messrs Murray and Osborne must remain employed up and until the applicable test date of 31 December 2018, being a three and a half year measurement period (**Measurement Period**).

The Performance Rights are also subject to two separate performance hurdles:

- (a) 50% of the Performance Rights will vest and convert into Shares over the Measurement Period based on the Company's Total Shareholder Return compared to the change in the ASX All Ordinaries Gold Index (ASX Code XGD) over that same period (**Shareholder Return Hurdle**); and

Company performance relative to the ASX All Ordinaries Gold Index	Percentage of relevant portion of Performance Rights that will vest will be:
75 <sup>th</sup> to 100 <sup>th</sup> percentile (or greater)	75% - 100% of the relevant grant based on a straight line pro rata
50 <sup>th</sup> to 75 <sup>th</sup> percentile	50% of the relevant grant
Zero to 50 <sup>th</sup> percentile	Nil

- (b) at 50% of the Performance Rights will vest on achieving an internal corporate hurdle to be met by 31 December 2018 (**Company Hurdle**). The corporate hurdles are as follows:

1. 50% of the company hurdle will be met if the Yamarna JORC Resource is at least 8 million ounces.
2. 50% of the company hurdle will be met if construction is completed (pre-commissioning) for the Yamarna Project.

The calculation framework used to determine the LTI Performance Rights to be granted is set out in Appendix B. This Appendix also sets out the value of the Performance Rights as at the date of grant. As detailed in Appendix A, Incentives granted under the Employee Incentive Plan automatically vest in the event of a change in control of the Company.

### Background to the 2015 Short Term Incentive (STI) program (Resolutions 5 and 8)

By Resolutions 5 and 8, the Company seeks Shareholder approval pursuant to Listing Rule 10.14 to grant:

- (a) 376,203 Performance Rights to Mr Ian Murray (or his nominee); and
  - (b) 136,673 Performance Rights to Mr Justin Osborne (or his nominee),
- (together, the **FY15 STI Performance Rights**).

The 2015 STI program is based on the following set percentage of base salary, with performance assessed against a mix of personal and corporate objectives, over the twelve month period ended 30 June 2015:

	Ian Murray	Justin Osborne
<i>Maximum STI as a percentage of base salary</i>	50%	25%*
<i>Aligned to Corporate KPI</i>	90%	80%
<i>Aligned to Personal performance KPI</i>	10%	20%

\* Lower than 2016 STI percentage due to not being an Executive Director when the 2015 STI incentives were determined in mid-2014.

Short term incentives for 2015 were set in June 2014 and are to be paid in a combination of equity securities and cash at the Board's discretion. For the 2015 financial year, the Board has determined that the optimal mix is 50% of the STI payable in cash and 50% in Performance Rights. If Shareholder approval for the equity component is not received, after due consideration the Board at its absolute discretion reserves the right to award the Equity component of the FY 2015 STI as cash.

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The number of FY15 STI Performance Rights to be granted is determined by dividing the 50% of the STI earned by 22.2 cents being the higher of the Company's 30 day VWAP for the period to 1 July 2014 and the most recent capital raising price prior to that date.

The payment of the STI is within the Board's absolute discretion. The Board can decide to reduce or not pay the STI in the event that market conditions and commodity prices have deteriorated or key corporate objectives in the period had not been met.

### **Corporate KPIs**

The FY 2015 STI corporate KPIs broadly included:

- Completion of the Gruyere Mineral Resource.
- A new discovery with the potential for greater than 500,000 ounces.
- Completion of positive economic studies including the Gruyere Scoping Study and mining lease applications.
- Submission of the Gruyere Mining lease application.
- The Company being adequately funded to achieve exploration and development objectives.

### **Personal KPIs**

A satisfactory personal performance rating is required for participation.

Individual performance is determined based on performance review and rating processes including Occupational Health Safety and Environment record.

### **Performance against KPIs**

The Remuneration Committee is responsible for determining the STI to be paid based on an assessment of whether the KPI's have been met.

Based on the achievements for FY 2015, the Remuneration Committee determined that Messrs Murray and Osborne achieved 89% and 88% of their targeted STI's respectively.

For FY 2015, the Executive Directors' performance against KPIs resulted in them earning the following STI amounts:

<b>Name</b>	<b>Target STI \$</b>	<b>STI earned \$</b>	<b>STI forfeited \$</b>
<i>Ian Murray (1)</i>	187,258	167,034	20,224
<i>Justin Osborne(2)</i>	66,039	58,097	7,942

(1) 50% of the STI earned is payable by the grant of 376,203 FY15 STI Performance Rights, the grant of which is subject to Shareholder approval. The FY15 STI Performance Rights will vest on grant.

(2) 50% of the STI earned is payable by the grant of 132,673 FY15 STI Performance Rights, the grant of which is subject to Shareholder approval. The FY15 STI Performance Rights will vest on grant.

### **Background to the FY 2016 STI program (Resolutions 6 and 9)**

By Resolutions 6 and 9, the Company seeks Shareholder approval pursuant to Listing Rule 10.14 to grant up to a maximum of:

- (a) 281,250 Performance Rights to Mr Ian Murray (or his nominee); and
  - (b) 139,205 Performance Rights to Mr Justin Osborne (or his nominee),
- (together, the **FY16 STI Performance Rights**).

The 2016 STI Plan is based on the following set percentage of base salary, with performance assessed against a mix of personal and corporate objectives over the twelve month period to 30 June 2016:

	<b>Ian Murray Executive Chairman</b>	<b>Justin Osborne Executive Director</b>
<i>STI as a percentage of base salary</i>	50%*	35%
<i>Aligned to corporate KPI</i>	90%	90%
<i>Aligned to personal performance KPI</i>	10%	10%

\* Ian Murray has a higher KPI percentage of base salary due to his position as Executive Chairman.

The 2016 STI performance measures broadly include:

- Year on year improvement on safety targets.
- Completion of the Gruyere Pre-Feasibility Study (**PFS**) and Board approval to commence the Definitive Feasibility Study (**DFS**).
- Native title negotiations completed for Central Bore and Gruyere.
- A new discovery greater than 500,000 ounces JORC compliant Resource.
- Shortlist of potential project debt funding parties and indicative terms.
- All material permitting is prepared and ready for submission as part of the DFS.

## EXPLANATORY STATEMENT

For FY 2016, if the Executive Directors achieve 100% of their Corporate and Personal KPIs, they could earn the following STI amounts:

Name	Target STI \$	50% Cash component \$	No. of Performance rights (1)
Ian Murray	247,500	167,034	281,250
Justin Osborne	122,500	58,097	139,205

- (1) The number of FY16 STI Performance Rights to be granted is determined by dividing the 50% of the target STI earned by 44 cents being the higher of the Company's 30 day VWAP for the period to 1 July 2015 and the most recent capital raising price prior to that date (being the June 2015 share placement and SPP).

### 5.2 Effect on the Company

The grant of the LTI Performance Rights, the FY15 STI Performance Rights and the FY16 STI Performance Rights (together, the **Executive Director Performance Rights**) to Messrs Murray and Osborne will have a diluting effect on the percentage interest of existing Shareholders' holdings. For instance, assuming all Executive Director Performance Rights are exercised, the Company's issued Shares would increase by 2,452,058 Shares to a total issued capital of 691,200,988 Shares<sup>1</sup> representing 0.35% of the then issued Shares in the Company.

There are no significant opportunity costs to the Company or benefits foregone by the Company in granting the Executive Director Performance Rights. No loan is provided by the Company to allow for exercise.

Australian International Financial Reporting Standards require the Executive Director Performance Rights to be expensed in accordance with AASB 2 – Share Based Payments. The Executive Director Performance Rights are expected to be expensed over the 3 year vesting period in which they are granted. Expensing the Executive Director Performance Rights will have the effect of increasing both the expenses and the contributed equity of the Company. There will be no impact on the net assets or the cash position or financial resources of the Company as a result of expensing the Executive Director Performance Rights.

There are no tax implications for the Company in granting these Performance Rights.

### 5.3 Requirement for Shareholder approval

Approval for the grant of the Executive Director Performance Rights is sought for the purposes of Listing Rule 10.14 and for all other purposes. Listing Rule 10.14 provides that the Company must not issue equity securities (including Performance Rights) under an employee incentive scheme to a Director of the Company without Shareholder approval.

Chapter 2E of the Corporations Act also requires shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members of the director's family. It also includes an entity over which a director maintains control. Directors such as Messrs Murray and Osborne are considered to be related parties within the meaning of the Corporations Act, and the Executive Director Performance Rights will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

While the Board (other than Messrs Murray and Osborne who were not able to make a recommendation due to their interests in the grant of Executive Director Performance Rights) considers that the grant of the Executive Director Performance Rights to Messrs Murray and Osborne, and any issue of Shares upon the exercise of those Executive Director Performance Rights, constitutes part of the reasonable remuneration of Messrs Murray and Osborne respectively, given all Directors are proposed to receive some form of equity grant at the Annual General Meeting it was thought prudent to seek approval for these purposes.

Approval under Listing Rule 7.1 is not required in order to grant the Executive Director Performance Rights to Messrs Murray and Osborne, as approval is being obtained under Listing Rule 10.14. The grant of Executive Director Performance Rights (and Shares upon vesting of the Executive Director Performance Rights) to Messrs Murray and Osborne will not be included in calculating the Company's capacity issue equity securities equivalent to 15% of the Company's ordinary securities, under Listing Rule 7.1.

### 5.4 Key terms of the Performance Rights

For the purposes of Listing Rule 10.15, and for all other purposes, the following additional information is provided to Shareholders in respect of the proposed grant of Executive Director Performance Rights.

#### Maximum number of securities to be issued

The maximum number of Executive Director Performance Rights that may be granted under the Employee Incentive Plan is as follows:

- to Mr Ian Murray (or his nominee): up to 1,782,453; and
- Mr Justin Osborne (or his nominee): up to 669,605.

<sup>1</sup> As at 30 September 2015 the issued capital of the Company comprised 688,748,930 ordinary fully paid Shares, 10,531,000 unlisted Options with various expiry dates and exercise prices and 3,621,250 Performance Rights with various expiry dates.

## EXPLANATORY STATEMENT

<b>Terms of grant</b>	The Executive Director Performance Rights will be granted in accordance with the terms of the Employee Incentive Plan (the terms of which are summarised in Appendix A to this Explanatory Statement). These include specific terms that relates to the treatment of those rights on cessation of employment, on a change of control in the Company and the adjustment of the terms in certain prescribed circumstances.
<b>Issue price</b>	No consideration is payable at the time of grant of the Executive Director Performance Rights or for the issues or transfer of Shares upon vesting of the Executive Director Performance Rights.
<b>Previous grants under the Employee Incentive Plan</b>	<p>Since the Employee Incentive Plan was last approved by Shareholders in November 2013, Mr Murray has been granted 3,300,000 Options exercisable on or before 19 November 2015 at 13 cents each and 1,300,000 Performance Rights vesting on 30 June 2017 subject to performance hurdles.</p> <p>No consideration was payable for the grant of the Options and Performance Rights and no other person listed under Listing Rule 10.14 has received Incentives under the Employee Incentive Plan since it was last approved by Shareholders in November 2013.</p>
<b>Persons entitled to participate in the Employee Incentive Plan</b>	Messrs Murray and Osborne are the only people referred to in Listing Rule 10.14 eligible to participate in the Employee Incentive Scheme. Any additional people referred to in Listing Rule 10.14 who become entitled to participate in the Employee Incentive Scheme will not do so until any Shareholder approval required under Listing Rule 10.14 is obtained.
<b>Vesting</b>	<p>Subject to the Board's discretion, if the Performance Hurdles attached to the Executive Director Performance Rights are satisfied, the Performance Rights will vest and may be exercised by the holder into Shares.</p> <p>Details of the Performance Hurdles attached to the Executive Director Performance Rights are outlined above.</p>
<b>Ranking of Shares</b>	Shares allocated to Mr Murray and Mr Osborne upon exercise of the Executive Director Performance Rights will rank equally with other Shares on issue.
<b>No funds raised</b>	No funds are raised through the grant of the Executive Director Performance Rights or on the exercise and conversion of the Executive Director Performance Rights to Shares.
<b>Loans</b>	No loans have or will be made by the Company in connection with the Executive Director Performance Rights proposed to be granted to Mr Murray or Mr Osborne.
<b>Date of grant of Performance Rights</b>	The Executive Director Performance Rights will be granted no later than 12 months after the date of the Meeting.

### 5.5 Remuneration and securities held

The following securities are held by Messrs Murray and Osborne (or their nominees):

Director	Securities Held	Exercise price/Hurdle	Expiry date
Mr Murray	3,300,000 Options (1)	13 cents	19/11/2015 fully vested
	1,300,000 Performance Rights (2)		30/06/2018
	11,048,712 Ordinary Fully Paid Shares (1)		
Mr Osborne	1,000,000 Options	13 cents	14/10/2017 fully vested
	1,000,000 Options vesting 14/10/2015	13 cents	14/10/2017
	1,000,000 Options vesting 14/10/2016	13 cents	14/10/2017
	486,111 Performance Rights (2)		30/06/2018
	1,234,091 Ordinary Fully Paid Shares (3)		

#### Notes:

- (1) Held indirectly by Troyleigh Investments Pty Ltd atf Ian and Karen Trust, and Ian & Karen Murray Superannuation.
- (2) Granted under the 2017 LTI Program and vesting on 30 June 2017 subject to meeting Company and Shareholder hurdles.
- (3) Held indirectly by OT Superfund, of which Mr Osborne is a beneficiary.

## EXPLANATORY STATEMENT

Details of the nature and amount of each major element of the remuneration of Messrs Murray and Osborne for the year ended 30 June 2015 are set out below:

	Salary \$	Superannuation Contributions \$	Value of Incentives \$	Total \$
Mr Murray	374,517	19,472	157,387	551,376
Mr Osborne	264,157	20,729	80,254	365,140

### 5.6 Directors' recommendation

For the reasons set out above, the Non-executive Directors recommend that Shareholders vote in favour of Resolutions 4 to 9. The Executive Directors (being Messrs Murray and Osborne) decline to make a recommendation to Shareholders in relation to Resolutions 4 to 9 given their respective interests in the outcome of those resolutions.

## 6. Resolutions 10 to 12: Grant of NED Options to Mr Martin Pyle, Mr Russell Davis and Mr Tim Netscher

### 6.1 Background

The Board is seeking Shareholder approval to grant:

- 250,000 Options to Mr Martin Pyle, or his nominee;
- 250,000 Options to Mr Russell Davis, or his nominee; and
- 250,000 Options to Mr Tim Netscher, or his nominee,

(together, the **NED Options**), each of whom is a Non-executive Director of the Company.

### 6.2 Reasons for grant of NED Options

The grant of the NED Options to Messrs Pyle, Davis and Netscher is considered to be a cost-effective mechanism to assist in the reward and retention of the Non-executive Directors of the Company. The grant of the NED Options forms part of the Company's long-term incentive objectives to encourage the relevant Directors to have a greater involvement in the achievement of the Company's objectives and to provide them with the opportunity to participate in the future growth and prosperity of the Company through share ownership.

The number of NED Options to be granted to Messrs Pyle, Davis and Netscher has been determined taking into account the significant contribution that these Directors are likely to have to the Company's success, and to provide ongoing equity incentives to advance the Company and its assets. Regard has also been given to less tangible issues such as alignment of interests to the Company through an equity holding.

The Board considers the number of Options proposed to be granted to Messrs Pyle, Davis and Netscher will ensure that overall Director remuneration remain competitive with market standards.

### 6.3 Purpose of approval

Approval for the grant of the NED Options is sought for the purposes of Listing Rule 10.11 and for all other purposes. Listing Rule 10.11 requires the Company to obtain Shareholder approval to issue, or agree to issue, securities to a related party.

Chapter 2E of the Corporations Act also requires Shareholder approval where a public company seeks to give a "financial benefit" to a "related party" (unless an exception applies). A "related party" for the purposes of the Corporations Act is defined widely. It includes a director of a public company and specified members of the director's family. It also includes an entity over which a director maintains control. Messrs Pyle, Davis and Netscher are considered to be related parties within the meaning of the Corporations Act, and the NED Options will constitute a financial benefit for the purposes of Chapter 2E of the Corporations Act.

While the Board (excluding the interested Directors) believe the grant of the NED Options is the best available and most cost-effective mechanism to assist in the reward and retention to of the Non-executive Directors, given all Directors are proposed to receive some form of equity grant at the Annual General Meeting it was thought prudent to seek approval for these purposes.

### 6.4 Key terms of the grant

A summary of the terms of the grant is set out below:

- Securities granted**
- 250,000 Options to Mr Pyle, or his nominee;
  - 250,000 Options to Mr Davis, or his nominee;
  - 250,000 Options to Mr Netscher, or his nominee.

**Date of Grant** Within one month of the date of the Meeting.

**Price** Each NED Option will be granted for no consideration and will entitle the holder to subscribe for and be allotted one Share at a strike price 150% above the five day VWAP on the date of grant.

## EXPLANATORY STATEMENT

<b>Intended use of funds raised</b>	No funds will be raised from the grant of NED Options.  Any funds raised from the exercise of the NED Options will be used for general working capital purposes.
<b>Expiry</b>	2 years after their date of grant.
<b>Terms</b>	The NED Options are not generally transferable.  The NED Options will not entitle the holder to any dividends declared or issued by the Company.  The full terms of the NED Options are set out in Appendix C of this Notice.

### 6.5 Effect on the Company

The grant of the NED Options to Messrs Pyle, Davis and Netscher may have a dilutionary effect on the percentage interest of existing Shareholders' holdings. If the Options are exercised the Company's issued Shares will increase by up to 750,000 Shares. This represents a dilution of 0.10% based on the Company's current issued capital of 688,748,930 Shares.

There are no significant opportunity costs to the Company or benefits foregone by the Company in granting the NED Options. Messrs Pyle, Davis and Netscher must contribute their own money to the Company to fund any exercise price of the NED Options (unless cashless exercise is selected). No loan is provided by the Company to allow for exercise. There are no taxation consequences to the Company and no material benefits foregone by the Company in granting the NED Options.

### 6.6 Value of the Options

The NED Options to be granted to Messrs Pyle, Davis and Netscher have been independently valued by HLB Mann Judd (WA) Pty Ltd as follows:

Number of NED Options	Indicative Value per NED Option	Value Per NED	Total Value
750,000	\$0.08	\$20,000	\$60,000

#### Assumptions and explanations

*This valuation uses a Binomial Tree Pricing Model and is based on the following assumptions:*

- *the valuation date for the NED Options is 1 October 2015.*
- *that the NED Options the subject of the valuation can be sold on a secondary market. The terms and conditions of the proposed NED Options state that they shall not be listed for official quotation on ASX. In addition, the NED Options are not transferable. Accordingly, in determining the indicative value of the NED Options HLB Mann Judd (WA) Pty Ltd has applied a 30% discount to the theoretical value 11.4 cents) attributed to the Binomial Tree pricing model to arrive at the indicative value;*
- *the NED Options are granted on 24 November 2015, being the proposed date of the Meeting;*
- *an underlying Share price at 1 October 2015 of \$0.43, being the closing share price of the Shares on the last trading day prior to conducting this valuation;*
- *the exercise price of the NED Options is \$0.65 in accordance with the terms set out in Appendix C;*
- *vest on issue and have a maximum life of two years, in accordance with the NED Option terms;*
- *an expected future volatility of the Company's Shares of 70%*
- *a risk free rate of 1.845%, being the yield on a Commonwealth Government two year bond; and*
- *NED Option holders do not elect cashless exercise.*

### 6.7 Remuneration and securities held

As at the date of this Notice, the following Gold Road securities are held by the Non-executive Directors:

<b>Mr Pyle</b>	2,308,220 Shares held indirectly
<b>Mr Davis</b>	2,000,000 Shares held directly 5,072,431 Shares held indirectly 500,000 Options exercisable at \$0.13 cents on or before 19 November 2015
<b>Mr Netscher</b>	500,000 Options exercisable at \$0.335 cents on or before 24 November 2016



## EXPLANATORY STATEMENT

The remuneration of Messrs Pyle, Davis and Netscher is summarised below:

		Base	Committee Chair Fee	Superannuation	Other benefits	Total
<b>Mr Pyle</b>						
	2015	65,808		1,692	7,131	74,631
	2016	59,727	8,767	6,506	7,779	82,779
<b>Mr Davis</b>						
	2015	67,500		-	7,131	74,631
	2016	59,727	8,767	6,506	7,779	82,779
<b>Mr Netscher</b>						
	2015	58,333		-	40,541	98,874
	2016	59,727	8,767	6,506	7,779	82,779

### **Assumptions and explanations**

*The Non-executive Directors' 2016 remuneration is a forecast only and the total remuneration paid may vary from what is set out above.*

*"Other benefits" includes an apportionment of the costs of insurance policies maintained for the benefit of Key Management Personnel".*

### **6.8 Other interests in the Company**

Other than as set out in section 6.7 above, Messrs Pyle, Davis and Netscher have no other interest in the Company.

### **6.9 Corporate governance**

The ASX Listing Rules set out best practice recommendations for ASX listed entities. In accordance with the corporate governance guidelines there are no performance hurdles attached to the NED Options. The periodic grant of Options to Non-executive Directors as a component of their remuneration is considered appropriate by the Board for the Company's current stage of development.

The Board considers the grant of the NED Options to Messrs Pyle, Davis and Netscher is reasonable in the circumstances, where the preservation of the Company's cash resources is important and the retention of high quality and well-credentialed Non-executive Directors is considered paramount to the ongoing development of the Company.

### **6.10 Listing Rule 7.1**

Approval under Listing Rule 7.1 is not required in order to grant the NED Options to Messrs Pyle, Davis and Netscher or their nominees as approval is being obtained under Listing Rule 10.11.

Accordingly, the grant of the NED Options (and Shares upon exercise of the NED Options) will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's Shares under Listing Rule 7.1.

### **6.11 Directors' Recommendation**

The Executive Directors recommends that Shareholders vote in favour of Resolutions 10 to 12. The Non-executive Directors (being Messrs Pyle, Davis and Netscher) decline to make a recommendation on Resolutions 10 to 12 based on their interest in the outcome of these Resolutions.

## **7. Resolution 13 – Ratification Prior Issue of Equity Securities**

On 4 June 2015, the Company announced that it had undertaken a placement of 89,262,773 ordinary fully paid shares (**Placement Shares**) to professional and sophisticated investors at a subscription price of \$0.44 each share, to raise \$39.3 million before the costs of the issue (**Placement**). The Placement was managed jointly by Argonaut Securities and Macquarie Capital (Australia) Limited.

The Placement was completed on 11 June 2015 under the Company's 15% existing placement facility provided in Listing Rule 7.1.

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

Listing Rule 7.4 allows an issue of securities made without the approval of Shareholders to be ratified by Shareholders, in order to refresh the 15% capacity under Listing Rule 7.1, provided that at the time the issue was made, the issue was made within the Company's existing 15% capacity under Listing Rule 7.1.

Shareholder approval is therefore now sought pursuant to Listing Rule 7.4 to ratify the Placement Shares issued so that these Shares are not counted in determining the Company's capacity to issue up to 15% of its issued ordinary capital under Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

**EXPLANATORY STATEMENT**

<b>Total number of Placement Shares issued</b>	89,262,773 Placement Shares
<b>Issue price of each Share</b>	\$0.44
<b>Terms of issue</b>	The Placement Shares were issued on the same terms and conditions as the Company's existing Shares and rank equally with existing Shares on issue.
<b>Allottee</b>	The Placement Shares were issued to professional and sophisticated investors who are clients of Argonaut Securities and Macquarie Capital (Australia) Limited, none of whom are related parties of the Company
<b>Listing of the Placement Shares</b>	The Placement Shares are listed on ASX
<b>Use of the funds raised</b>	The funds raised under the Placement were used to complete the PFS and DFS for the Gruyere Project, continued regional exploration and fund ongoing corporate costs and working capital
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Annual General Meeting in respect of Resolution 13.

**Directors' recommendation**

The Board recommends that Shareholders vote in favour of Resolution 13.

**8. Resolution 14 – Change to Non-executive Directors' Fees**

**8.1 Background**

Resolution 14 has been proposed so that Shareholders can consider, and if thought fit, approve an increase to the maximum aggregate remuneration which is available to the Company to secure the services of its Non-executive Directors. Listing Rule 10.17 and Clause 21.1 of the Company's Constitution provide that the Company must first obtain Shareholder approval before it is able to increase the total fees payable by the Company or its subsidiaries to its Non-executive Directors.

At present, the maximum amount of fees which can be paid to the Company's Non-executive Directors is capped at \$350,000. This maximum cap has not been increased since 2012. The Company has grown significantly since then, and is likely to continue to grow as the Gruyere Project develops.

The Directors are seeking Shareholder approval to increase the upper limit on aggregate Non-executive Director remuneration by \$150,000 for the following reasons:

- the Company's Non-executive Directors have extensive skills and experience in a range of relevant industries that are important to the Company's development;
- the appointment of the Non-executive Directors significantly enhances the independence of the Board; and
- the Board considers it important that the Company maintains the ability to remunerate competitively and attract and retain high calibre Non-executive Directors and that there is allowance for growth in the number of Non-executive Directors and non-executive remuneration in the future to reflect market competitiveness for Non-executive Directors with the skills and experience appropriate for the Company's business and growth path towards production.

If Resolution 14 is approved, the Directors do not intend utilising the entire maximum sum of \$500,000 in the first instance. By having an increase in the maximum amount that can be paid to Non-executive Directors, the Directors have the flexibility to seek new independent Non-executive Directors to the Board as and when appropriate or to increase fees payable to existing Directors in line with market changes. The increase should also be seen in light of the possibility there may in the future be an increase in the number of Non-executive Directors as the Company progresses the Gruyere Project and provides flexibility to attract and remunerate any additional suitable Board candidates.

The remuneration currently provided to each Non-executive Director of the Company for the financial year ended 30 June 2015 is detailed in the Remuneration Report (being the subject of Resolution 1).

**8.2 Technical information required by Listing Rule 10.17**

If Shareholders approve the proposed resolution, the maximum aggregate sum which can be paid to Non-executive Directors of the Company will increase by \$150,000 per annum, resulting in an increase in the upper limit of remuneration that can be paid to the Company's Non-executive Directors from the current level of \$350,000 to a new level of \$500,000 in any financial year.

**GOLD ROAD RESOURCES LIMITED**

ABN 13 109 289 527

**EXPLANATORY STATEMENT**

The following table sets out details of all securities in the Company issued to a Non-executive Director after obtaining Shareholder approval under Listing Rule 10.11 or 10.14 during the past 3 years.

<b>Non-executive Director</b>	<b>Type of security</b>	<b>Number</b>	<b>Listing Rule</b>	<b>Date of issue</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
<i>Tim Netscher</i>	Options	500,000	10.11	21 November 2014	\$0.335	21 November 2016
<i>Martin Pyle</i>	Options	500,000	10.11	19 November 2013	\$0.13	19 November 2015
<i>Russell Davis</i>	Options	500,000	10.11	19 November 2013	\$0.13	19 November 2015

A voting exclusion statement is included in the Notice of Annual General Meeting in respect of Resolution 14.

**8.3 Directors' Recommendation**

The Board (excluding Non-executive Directors Messrs Davis, Netscher and Pyle decline to make a recommendation based on their interest in the outcome of these Resolutions) recommends that Shareholders vote in favour of Resolution 14.

## GLOSSARY

**Annual General Meeting, AGM or Meeting** means the Annual General Meeting of Shareholders to be held at The Celtic Club, 48 Ord Street, West Perth WA 6005 on Tuesday, 24 November 2015 at 10.00am (Perth time), or any adjournment thereof.

**ASX** means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.

**ASX Listing Rules or Listing Rules** means the Listing Rules of the ASX, from time to time and as modified by any express waiver given by ASX.

**Board** means the board of Directors.

**Chairman** means the person chairing the Meeting from time to time.

**Closely Related Party** of key management personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member in the member's dealings with the Company;
- company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth).

**Company or Gold Road** means Gold Road Resources Limited ABN 13 109 289 527.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Employee Incentive Plan** means the Gold Road Employee Incentive Plan as approved by Shareholders at the Company's 2013 Annual General Meeting.

**Executive Director Performance Right** means the Performance Rights proposed to be granted to Mr Ian Murray and Mr Justin Osborne pursuant to Resolutions 4 - 9.

**Explanatory Statement** means this explanatory statement accompanying the Notice of Meeting.

**Financial Statements** has the meaning given in section 1 of this Explanatory Statement.

**Key Management Personnel** has the same meaning given in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Directors of the Company.

**NED Options** means the Options proposed to be granted to the Non-executive Directors pursuant to Resolutions 10 - 12.

**Non-executive Director** means a non-executive Director of the Company.

**Notice of Meeting** means this notice of Annual General Meeting, including the Explanatory Statement.

**Option** means an option to acquire a Share.

**Performance Right** means a performance right issued in accordance with the Employee Incentive Plan.

**Proxy Form** means the proxy form attached to this Notice.

**Share** means a fully paid ordinary share in the capital of the Company.

**Spill Meeting** has the meaning given in section 2 of this Explanatory Statement.

**Spill Resolution** has the meaning given in section 2 of this Explanatory Statement.

**Total Shareholder Return** means the total before tax investment return achieved by a Shareholder over a defined period based on Share price movement over that period and the reinvestment of dividends, if any.

**VWAP** means volume weighted average price.

## Appendix A – Terms and Conditions of Employee Incentive Plan

A summary of the key terms of the Employee Incentive Plan is set out in the table below:

<b>Eligibility</b>	<p>Under the terms of the Employee Incentive Plan, the Board may determine which employees of the Company and its related bodies corporate are eligible to participate.</p> <p>The Employee Incentive Plan is targeted at the Company's senior management and employees, including Executive Directors (as determined by the Board from time to time). Any proposal to issue Performance Rights or Options to Executive Directors under the Incentive Plan would require prior Shareholder approval to be obtained pursuant to the related party provisions of the ASX Listing Rules.</p>
<b>Incentives</b>	The Employee Incentive Plan allows the Board to grant Performance Rights and Options (each an Incentive) to eligible participants.
<b>Vesting conditions</b>	<p>The vesting terms for grants of Incentives under the Employee Incentive Plan will be decided by the Board from time to time. Where appropriate, the Board may impose appropriate performance hurdles to encourage employees to focus on performance of the Company over the long term.</p> <p>The Board considers that issuing Options with a premium exercise price, and on such terms that the Options lapse on the cessation of employment, will ensure that benefits will only be received by recipients who continue to be employed by the Company. In the Board's view, terms of that nature have a like effect to a vesting condition.</p>
<b>Number of Incentives to be granted</b>	<p>The number of Incentives granted under the Employee Incentive Plan will be decided by the Board from time to time.</p> <p>The Board notes that Performance Rights involve less risk to an employee than options, as they do not require the employee to pay any amounts to the Company upon exercise. As a result, where the Board decides to grant Performance Rights, an employee will typically receive fewer Performance Rights when compared with the number of options they would have otherwise received under the Incentive Plan or any other employee incentive plan.</p>
<b>Exercise Price</b>	<p>Performance Rights do not require the employee to pay any amount to the Company upon vesting or exercise.</p> <p>The Board may grant options under the Employee Incentive Plan. If it chooses to do so, the exercise price of any options granted under the Incentive Plan is at the absolute discretion of the Board and the Board will determine the exercise price from time to time. Typically, any options granted would have an exercise price calculated by reference to a volume weighted average price of the Company's shares for a period prior to the date of grant.</p>
<b>Cashless exercise</b>	<p>The incentive holder may determine, in its sole and absolute discretion, that an optionholder will not be required to provide payment of the full amount of the exercise price to the Company for the number of options (as specified in the option exercise notice) but that on exercise of the options, the Company will issue the number of Shares equal in value to the difference between the Market Value of the Shares and the exercise price otherwise payable in relation to the options (with the number of Shares rounded down).</p> <p>"Market Value of the Shares" means the VWAP of the Shares (sold in the ordinary course of trading on ASX during the 20 trading days before the date on which the holder exercises its options).</p>
<b>Takeover bid and change in control</b>	<p>Incentives granted under the Employee Incentive Plan automatically vest in the event of a change in control of the Company, including where a takeover bid is made for the Company and the bidder acquires more than 50% of the Company, Shareholders approve a scheme of arrangement, or in any other case where a person obtains voting power in the Company which the Board determines (acting in good faith and in accordance with their fiduciary duties) is sufficient to control the composition of the Board.</p> <p>The Board also has the discretion to permit the exercise of Incentives in other limited circumstances, such as where a resolution is passed approving the disposal of the Company's main undertaking.</p>
<b>Transferability</b>	Incentives granted under the Employee Incentive Plan are generally not transferable.
<b>Dividend and voting rights</b>	Incentives granted under the Employee Incentive Plan do not carry any dividend or voting rights.
<b>Adjustment for rights issues</b>	The exercise price of Incentives granted under the Employee Incentive Plan (which is only applicable for options granted under the Employee Incentive Plan, which have an exercise price) will be adjusted in the manner provided by the ASX Listing Rules in the event of the Company conducting a rights issue prior to the lapse of that Incentive.
<b>Board discretion</b>	Under the terms of the Incentive Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the Incentive Plan, without the requirement for further Shareholder approval.
<b>Copies of Incentive Plan</b>	A copy of the full terms of the Employee Incentive Plan can be obtained by contacting the Company Secretary on +61 8 9316 9100.

## Appendix B – Calculation of Performance Rights under the 2018 LTI Program

The framework for the Company's Long Term Incentive Remuneration Policy is based on the following key principles which apply to the grant of long term incentives:

- The vesting of long term incentives will be subject to performance measured against long term internal Company hurdles and Shareholder return hurdles.
- Vesting will be measured at the end of a minimum 3.5 year period.
- Long term incentives are to be granted annually, and will be subject to a percentage threshold amount of base remuneration. The percentage threshold is to be reviewed at each grant, and determined based on market and peer group practice.

The Performance Rights to be granted to Messrs Murray and Osborne subject to Shareholder approval as set out in the Explanatory Statement is set out below:

Executive	Base Salary	LTI %	LTI \$ Value	No. Of Rights
Mr Ian Murray – Executive Chairman	495,000	100%	495,000	1,125,000
Mr Justin Osborne – Executive Director	350,000	50%	175,000	397,728
			670,000	1,522,728

\* Ian Murray has a higher KPI percentage of base salary due to his position as Executive Chairman.

Performance Hurdle	Weighting	Number Of Rights
Company	50%	761,364
Shareholder Return	50%	761,364

The market value used by the Company, for the purposes of calculating the quantity of Performance Rights that may be converted to Shares has been set at \$0.44 being the higher of the Company's 30 day VWAP for the period to 1 July 2015 and the most recent capital raising price prior to that date (being the June 2015 share placement and SPP).

## Appendix C – Terms and Conditions of Options

The full terms of the Options, which are the subject of Resolutions 13, 14 and 15 of the Notice, are set out below:

- (1) Each Option shall be issued free for no consideration.
- (2) The exercise price will be 150% of the VWAP of the Company's ordinary fully paid Shares for the five trading days prior to grant.
- (3) Each Option entitles the holder to subscribe for or be transferred or allocated one Share on exercise
- (4) The Options will lapse at 5.00pm (AWST) on the date that is two years after the date of grant.
- (5) The Options will not be listed for official quotation on the ASX.
- (6) The Options may not be transferred or assigned by an optionholder except that the optionholder may at any time transfer all or any of the Options to a spouse, family trust, or to a proprietary limited company, all of the issued Shares which are beneficially owned by the optionholder or the spouse of the optionholder.
- (7) There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Option.
- (8) However, optionholders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing Shareholders of the Company made during the currency of the Options, and will be granted a period of at least five business days before books closing date to exercise the Options.
- (9) If there is a pro rata issue (except a bonus issue) to the holders of ordinary Shares, the exercise price of the Options may be reduced according to the formula set out in Listing Rule 6.22.
- (10) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (11) The Options can be exercised by the delivery to the registered office of the Company of an option exercise notice, accompanied by an option certificate, which nominates either "Traditional Exercise" or "Cashless Exercise" such that:
  - (a) **(Traditional Exercise)**: if the optionholder nominates Traditional Exercise, the option exercise notice must be accompanied by payment of the exercise price by cheque made payable to the Company for the subscription monies for the Shares; or
  - (b) **(Cashless Exercise)**: if the optionholder nominates Cashless Exercise, the optionholder agrees and acknowledges that the number of Shares to be acquired by them will be equal to the difference between:
    - (i) the number of Options exercised multiplied by the weighted average price for Shares on the ASX over the last 20 trading days immediately prior to the date that the Company receives the option exercise notice; and
    - (ii) the number of Options exercised multiplied by the exercise price otherwise payable in relation to the Options, divided by the weighted average price for Shares on the ASX over the last 20 trading days immediately prior to the date the Company receives the option exercise notice.
- (12) An exercise of only some Options will not affect the rights of the optionholder to the balance of the Options held by them.
- (13) The Company must allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within ten business days of the exercise of the Options.
- (14) Shares allotted pursuant to an exercise of Options rank, from the date of allotment, equally with the existing ordinary Shares of the Company in all respects.
- (15) The Company will apply for official quotation with the ASX for all Shares issued, transferred or allocated upon exercise of any Option.
- (16) All unexercised Options will lapse upon the holder ceasing to be a Director or employee of the Company unless otherwise determined by the Board.
- (17) Subject to any vesting conditions specified at the time of issue, the Options may be exercised at any time until the expiry date.

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