

GRUYERE GOLD PROJECT UPDATE: ENVIRONMENTAL APPROVAL AND DEVELOPMENT MILESTONES ACHIEVED

ASX Code GOR

ABN 13 109 289 527

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Highlights

- **WA Minister for Environment provides environmental approval**
- **Project Construction Manager appointed**
- **First 100 rooms of Construction Camp installed**
- **Project Management team successfully transitioned**

Gold Road Resources Limited (**Gold Road** or the **Company**) is pleased to provide an update on construction progress at the Gruyere Gold Project, a 50:50 Joint Venture with Gold Fields Ltd (**Gold Fields**), located 200 kilometres east of Laverton in Western Australia.

Permitting and Approvals

Permitting and approvals for the Gruyere Gold Project (the **Project**) remains on schedule, with environmental approval now received from the Minister for Environment Hon. Albert Jacob MLA.

Approval of the Project under Ministerial Statement 1048, subject to certain conditions, is the precursor to secondary approvals now being assessed by the Department of Mines and Petroleum, and Department of Environment Regulation.

Gold Road Managing Director and CEO Ian Murray said: *“Achieving environmental approval is an important milestone and clears the path for the Project’s Mining Proposal, Project Management Plan and Works approvals, all of which have been submitted.*

“We anticipate receiving these final approvals in February 2017, immediately following which we will commence construction of the processing plant and development work on the Gruyere open pit mine. I would like to acknowledge the commitment of the entire Gold Road and the Project team in delivering these milestones in a period of high activity and transition for the Project.”



Appointment

Geoff Cowie, previously Gruyere Feasibility Study Coordinator, has been appointed to the key position of Construction Manager for the Project.

Mr Cowie brings a wide range of experience in the field of project management, project delivery and construction management for large mining developments and major infrastructure projects internationally, including senior project delivery roles in Australia, China, Bulgaria, South East Asia and South Africa.

Before taking on the Gruyere Feasibility Study Coordinator role for Gold Road, he was engaged as a Senior Project Manager by WSP/Parsons Brinkerhoff working on the Aurizon West Pilbara Infrastructure Project studies, which included 275 kilometres of new heavy haul rail and a new deep water port at Anketell Point.

Previous senior roles in mining project construction include Project Director - EPC Delivery for Roy Hill Holdings Pty Ltd, and Project Director for Calibre on the T155 rail duplication project for FMG.

Commenting on his appointment as Construction Manager, Mr Cowie said: *“Taking on this key role for the Project offers a great opportunity to lead a committed team, follow-through on the work previously completed as part of the Feasibility Study and deliver this outstanding project into production on time, on budget and safely.”*

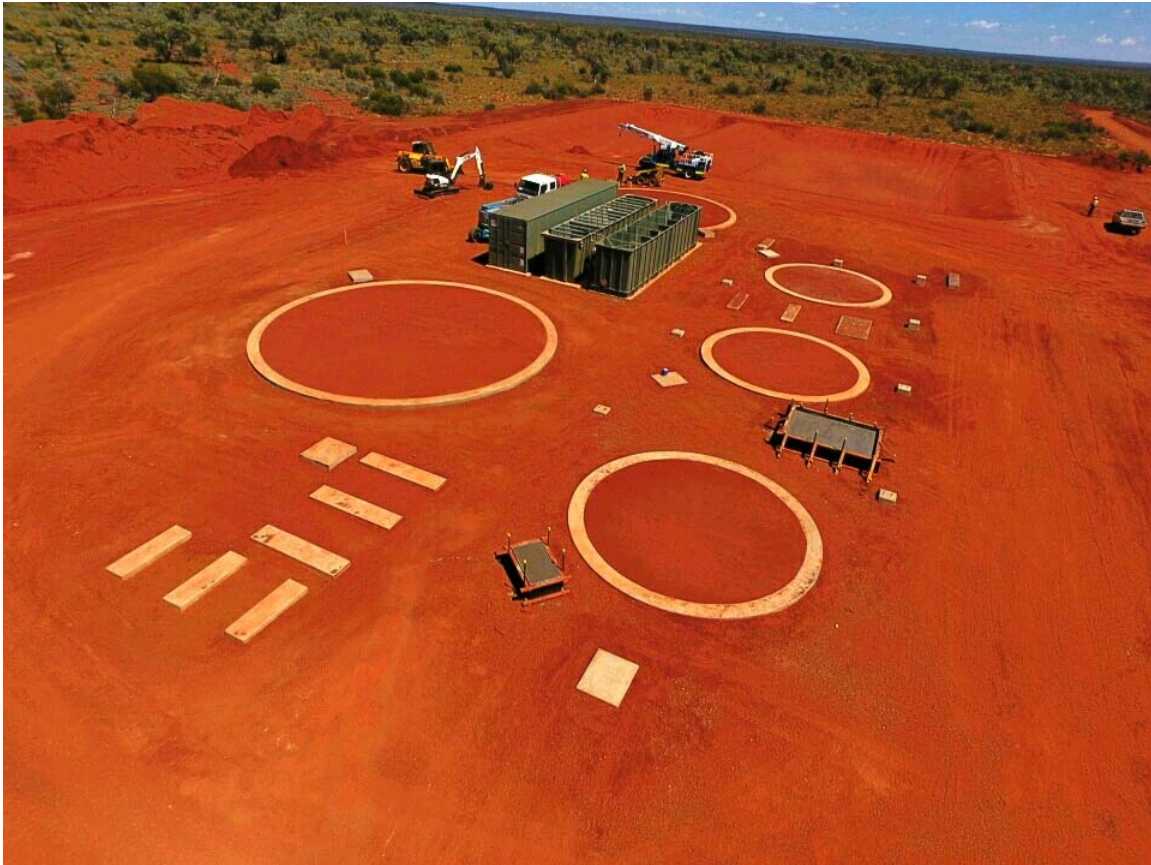
Accommodation

Work to dismantle and relocate the first 300 rooms of the accommodation village for the Project has been completed, while erection of the units has started and is expected to be completed in March 2017.

Work to dismantle, relocate and install the second 300 rooms for the Gruyere accommodation village will commence in February and is scheduled for completion in the June 2017 quarter.



Installation of the Construction Camp is on track for completion in March.



Work has also commenced to connect water and sewerage to the camp.

Contracts

The Project is in the final stages of evaluating tender submissions for key works contracts including the Engineering, Procurement and Construction (EPC) contract for the process plant and associated infrastructure; bulk earthworks contract; energy supply agreement comprising of the power station and gas pipeline; long lead time equipment; and catering contract, with final decisions expected in the March 2017 quarter.

Transition

The transition of the Project Team to the Project Manager, Gold Fields, is progressing well, with the transition expected to be completed in the March 2017 quarter.

The transition process has progressed smoothly and without any interruptions or impacts to the Early Works program, which commenced in the December 2016 quarter. The detailed engineering for the Gruyere accommodation village, airstrip, access roads, tailings storage facility and Anne Beadell borefield are well advanced and will be completed by the end of the March 2017 quarter.

For further information, please visit www.goldroad.com.au or contact:

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Media and Broker Enquiries

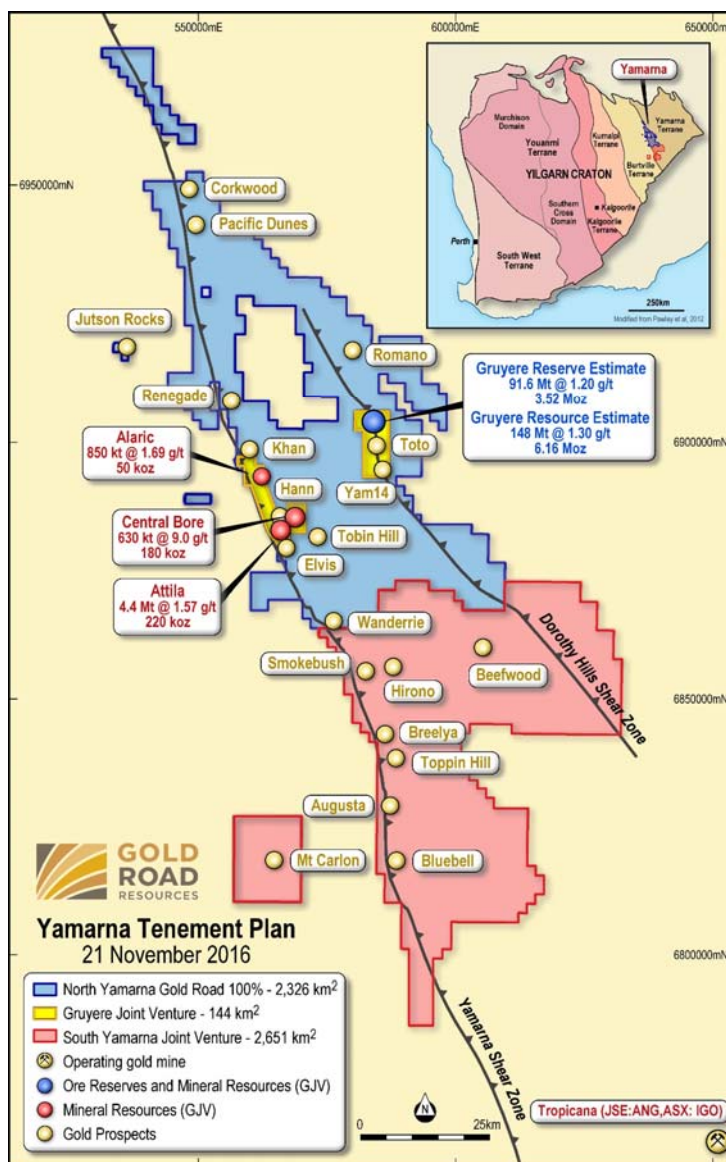
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About Gold Road

Gold Road is pioneering development of Australia’s newest goldfield, the Yamarna Belt, 200 kilometres east of Laverton in Western Australia. The Company holds interests in tenements covering 5,000 square kilometres in the region, which is historically underexplored and highly prospective for gold mineralisation. The Yamarna leases contain a gold resource of 6.6 million ounces, including 6.2 million ounces at the Gruyere deposit, of which the Company owns 50%.

The Feasibility Study for Gruyere, which was completed in October 2016, indicated the Project’s 3.5 million ounce Reserve could support average annualised production of 270,000 ounces for 13 years (ASX announcement dated 19 October 2016). In November 2016, Gold Road entered into a 50:50 joint venture with Gold Fields Ltd for the Gruyere Gold Project, with commencement of Project construction in January 2017.

Gold Road continues to explore for similar-scale deposits on its 100%-owned North Yamarna tenements, its 50% owned Gruyere Project Joint Venture tenements (with Gold Fields Ltd) and its 50% owned South Yamarna Joint Venture tenements in conjunction with Sumitomo Metal Mining Oceania (a subsidiary of Sumitomo Metal Mining Co. Limited).



Yamarna simplified Tenement Map with Mineral Resources and Ore Reserves on a Gruyere Project Joint Venture 100% basis (Gold Road 50%).

Competent Persons Statements

The information in this report which relates to Exploration Results or Mineral Resources is based on information compiled by Mr Justin Osborne. The information in this report which relates to Exploration Results is based on information compiled by Mr Justin Osborne, Executive Director for Gold Road. Mr Osborne is an employee of Gold Road, as well as a shareholder and share option holder, and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Osborne consents to the inclusion in the report of the matters based on this information in the form and context in which it appears

Mineral Resources

The information in this report that relates to the Mineral Resource Estimation for **Gruyere** is based on information compiled by Mr Justin Osborne, Executive Director – Exploration and Growth for Gold Road and Mr John Donaldson, Geology Manager for Gold Road.

The information in this report that relates to the Mineral Resource Estimation for **Attila Trend** is based on information compiled by Mr Justin Osborne, Executive Director for Gold Road, Mr John Donaldson, Geology Manager for Gold Road and Mrs Jane Levett, Senior Resource Geologist for Gold Road.

- **Mr Justin Osborne** is an employee of Gold Road, as well as a shareholder and share option holder, and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333)
- **Mr John Donaldson** is an employee of Gold Road as well as a shareholder, and is a Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist (MAIG RPGeo Mining 10147)
- **Mrs Jane Levett** is an employee of Gold Road, and is a Member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (MAusIMM CP 112232)

Messrs Osborne and Donaldson and Mrs Levett have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Messrs Osborne and Donaldson and Mrs Levett consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimation for **Central Bore** is based on geostatistical modelling by Ravensgate using sample information and geological interpretation supplied by Gold Road. The Mineral Resource estimates were undertaken by **Mr Craig Harvey**, previously Principal Consultant at Ravensgate and **Mr Neal Leggo**, Principal Consultant at Ravensgate.

Messrs Harvey and Leggo are both Members of the Australian Institute of Geoscientists. Messrs Harvey and Leggo have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Messrs Harvey and Leggo consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Ore Reserves

The information in this report that relates to the Ore Reserve for **Gruyere** is based on information compiled by David Varcoe. **Mr David Varcoe** is an employee of AMC Consultants and is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM).

Mr Varcoe has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Varcoe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

New Information or Data

Gold Road confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources and Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changes from the original market announcement.

JORC 2012 Mineral Resource tabulation for the Yamarna Leases

Project Name / Category	Gruyere Project Joint Venture 100% basis			Gold Road 50%		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
Gruyere Total (0.5 g/t Au)	147.71	1.30	6.16	73.85	1.30	3.08
Measured	13.86	1.18	0.53	6.93	1.18	0.26
Indicated	91.12	1.29	3.79	45.56	1.29	1.89
Inferred	42.73	1.35	1.85	21.36	1.35	0.92
Central Bore Total (1.0 g/t Au)	0.63	9.02	0.18	0.32	9.02	0.09
Measured	0.04	26.55	0.04	0.02	26.55	0.02
Indicated	0.40	9.01	0.12	0.20	9.01	0.06
Inferred	0.19	5.04	0.03	0.09	5.04	0.02
Attila Trend Total (0.7 g/t Au)	5.30	1.59	0.27	2.65	1.59	0.14
Measured	0.66	1.96	0.04	0.33	1.96	0.02
Indicated	3.85	1.52	0.19	1.93	1.52	0.09
Inferred	0.79	1.59	0.04	0.39	1.59	0.02
Total	153.64	1.34	6.61	76.82	1.34	3.31
Measured	14.57	1.29	0.60	7.28	1.29	0.30
Indicated	95.37	1.33	4.09	47.69	1.33	2.05
Inferred	43.70	1.37	1.92	21.85	1.37	0.96

Notes:

- All Mineral Resources are completed in accordance with the 2012 JORC Code
- The Gruyere Project Joint Venture is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd.
- Gruyere Mineral Resource reported at 0.5 g/t Au cut-off, constrained within an A\$1,700/oz Au optimised pit shell based on mining and processing parameters from the PFS and geotechnical parameters from the previous Mineral Resource estimate (ASX announcement dated 22 April 2016)
- Central Bore Mineral Resource reported at 1.0 g/t Au cut-off (2014 Annual Report)
- Attila Trend (Attila and Alaric) Mineral Resource reported at 0.7 g/t Au cut-off, constrained within an A\$1,600/oz Au optimised pit shell (ASX announcement dated 16 September 2015)
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding
- Mineral Resources are inclusive of Ore Reserves

Ore Reserve Statement for the Gruyere Project

Category	Gruyere Project Joint Venture 100% basis			Gold Road 50%		
	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
Total	91.57	1.20	3.52	45.78	1.20	1.76
Proved	14.87	1.09	0.52	7.44	1.09	0.26
Probable	76.70	1.22	3.00	38.35	1.22	1.50

Notes:

- The Ore Reserve is completed in accordance with the 2012 JORC Code
- The Gruyere Project Joint Venture is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd
- Gold Road holds an uncapped 1.5% net smelter return royalty on Gold Fields Ltd's share of production from the Gruyere Project Joint Venture once total gold production exceeds 2 million ounces
- The Ore Reserve is evaluated using a gold price of A\$1,500/oz (ASX announcement dated 19 October 2016)
- The Ore Reserve is evaluated using variable cut off grades: Oxide 0.35 g/t Au, Transitional 0.39 g/t Au and Fresh 0.43 g/t Au
- Ore block tonnage dilution averages 3.2%; Ore block gold loss is estimated at 1.4%
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding