



**GOLD FIELDS**

ASX Announcement  
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## Gruyere Gold Project Development Update

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### Highlights

- **Construction on schedule and budget – engineering and construction 72% and 32% complete respectively**
- **Mining contract awarded to Downer EDI Mining Pty Ltd**
- **Final approval received for construction of gas pipeline**
- **Gruyere main access road open ahead of schedule**
- **Airstrip completed, awaiting CASA certification for 100-seat aircraft**
- **Process plant construction progressing well**

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Gold Road Resources Limited (**Gold Road**) and Gruyere Mining Company Pty Ltd, a member of the Gold Fields Limited group (**Gold Fields**), are pleased to provide an update on development activities at the Gruyere Gold Project (the **Project**), which is being developed as a 50:50 Joint Venture approximately 200 kilometres east of Laverton in Western Australia.

With early works at Gruyere having started in December 2016, construction has now been in progress for more than 12 months. Pleasingly, the Project remains on schedule to pour first gold at the end of the first quarter of 2019. Costs incurred to date are also in line with the budgeted overall Project Capital of \$532 million<sup>1</sup>.

Gruyere Project Director Sim Lau said *“A great deal has been achieved in the past 12 months, which is testament to the efforts of the project team and our contractors. With Project engineering 72% complete and construction 32% complete, we remain confident that the Gruyere Gold Project will be brought into production on schedule and within budget in early 2019.”*

### Mining Contract

During the past quarter, the five-year \$400 million mining services contract was executed with Downer EDI Mining Pty Ltd (**Downer**). Downer will begin mobilising their workforce in the March 2018 quarter to commence construction of the mining infrastructure. Mining activities are scheduled to commence in the December 2018 quarter.

<sup>1</sup> level of accuracy range of -5% +10%

## Gas Pipeline

APA Group has received final approval from the WA Department of Mines, Industry Regulation and Safety for the 198 kilometre Yamarna Gas Pipeline (YGP) and has appointed Nacap Australia Pty Ltd (Nacap) as its construction contractor.

Nacap has begun establishing a temporary 200-person construction camp along the pipeline route and will mobilise its workforce to site to begin works in February. Construction of the pipeline is expected to be completed in the June 2018 quarter.

Civil and structural works and installation of the generators and gas engines have also begun at the 45 MW Gruyere Power Station, which will ultimately be connected to the YGP.



*Gruyere 45 MW Powerhouse under Construction*

## Bulk Earthworks

MACA Civil Pty Ltd (**MACA**) has continued to make good progress with the Bulk Earthworks, completing several key components of the contract, including the 28 kilometre Gruyere main access road, sealed airstrip and clearing for the Stage 1 Pit and Tailings Storage Facility (**TSF**), during the December quarter.

The Gruyere main access road, which connects the site with the Mt Shenton-Yamarna Road, and the Gruyere airstrip are both now open, although the airstrip is only accepting aircraft carrying up to 30 passengers as it awaits Civil Aviation Safety Authority (**CASA**) certification to accept larger aircraft (up to 100 passengers). It is anticipated that certification will be granted in the March 2018 quarter.

Work has begun on the upgrade of the Mt Shenton-Yamarna Road, which is scheduled for completion in the March 2018 quarter, as well as the construction of the TSF embankment walls using material extracted from the Stage 1 Pit, which will be the final activity undertaken as part of the Bulk Earthworks contract and is scheduled for completion in the June 2018 quarter.



*Gruyere airstrip and first flight December 2017*

## EPC

Amec Foster Wheeler Civec Joint Venture (**ACJV**), the engineering, procurement and construction (**EPC**) contractor, had poured 4,200m<sup>3</sup> of concrete in the process plant area, including the largest single pour to date of 750m<sup>3</sup> for the primary crusher raft slab. A further 10,500m<sup>3</sup> of concrete is to be poured before the process plant is complete.

Construction of the seven carbon-in-leach tanks is progressing to schedule. During the quarter, the floor and annular plates for the tanks were transported to site from Civec's Henderson facility and welding has commenced on these tanks.

Delivery of the first structural steel for the process plant is scheduled to take place in the March 2018 quarter, as is delivery of the ball mill components, which are currently undergoing final inspection in Perth.



## Borefields

All 32 bores that make up the Yeo borefield, which will serve as the main water source for the Gruyere Process Plant, have now been drilled. Installation of the 95 kilometre water pipeline connecting the bores to the Process Plant is scheduled to commence in the March 2018 quarter and the 22kV overhead powerline servicing the borefield in the June 2018 quarter.

## Community

A small function was held at the Gruyere Village on 12 December 2017 at which Bulk Earthworks contractor MACA presented a new commuter bus to the Cosmo Newberry community. The bus will be used primarily for transporting Cosmo Newberry children into Laverton for swimming lessons and around the region for other events and activities.



*Cosmo Newberry community bus donated by MACA*



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

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