

Gold Road December 2020 Quarterly Report



Gold Road Resources (ASX: GOR)

Presented its activity report for the quarter ending 31 December 2020.

Production is from the Gruyere Gold Mine which is a 50:50 joint venture with Gruyere Mining Company Pty Ltd. (Gold Fields Ltd.). During the December 2020 quarter Gruyere delivered gold production of 70,794 ounces (100% basis) (September 2020 quarter: 55,919 ounces (100% basis)).

Gold Road	ASX : GOR
Stage	Production (50% JV)
Metals	Gold
Market cap	A\$1.1 Billion @ A\$1.26
Location	Laverton, Western Australia

Gold Road Resources – December 2020 Quarterly Report

Gold Road Resources Limited (Gold Road or the Company), presents its activity report for the quarter ending 31 December 2020.

Production is from the Gruyere Gold Mine (Gruyere) which is a 50:50 joint venture with Gruyere Mining Company Pty Ltd, a member of the Gold Fields Ltd Group (Gold Fields), who manage Gruyere.

During the December 2020 quarter Gruyere delivered gold production of 70,794 ounces (100% basis) (September 2020 quarter: 55,919 ounces (100% basis)).

Production was delivered at an All-in-Sustaining Cost (AISC) of A\$1,265 per attributable ounce to Gold Road (September quarter: A\$1,488 per ounce), a significant improvement on the previous quarter.

Gruyere delivered annual production of 258,173 ounces for the 2020 calendar year to meet annual production guidance of between 250,000 and 270,000 ounces. Gold Road's AISC of A\$1,273 per attributable ounce was at the lower end of the revised annual cost guidance (A\$1,250 to A\$1,350 per ounce).

The weighted average Lost Time Injury Frequency Rate (LTIFR) for Gruyere and Gold Road was 2.81 at 31 December 2020. There were no lost time injuries recorded at Gruyere or Gold Road during the quarter.

HIGHLIGHTS

Production and Guidance

- Gruyere produced 70,794 ounces of gold (100% basis) during the quarter (September quarter: 55,919 ounces). Annual production for 2020 was 258,173 ounces (100% basis), in line with annual guidance (between 250,000 to 270,000 ounces).
- Gold Road delivered its December 2020 quarter production at an AISC of A\$1,265 per attributable ounce (September quarter: A\$1,488 per ounce). Annual AISC for 2020 was A\$1,273 per attributable ounce, at the lower end of revised annual guidance (between A\$1,250 to A\$1,350 per ounce).
- Gruyere ore tonnes processed totalled 2.1 Mt at a head grade of 1.12 g/t Au and a gold recovery of 91.8%. Plant throughput increased during the December quarter, following a successful programme of mine to mill optimisation and processing circuit improvements.
- 2021 guidance will be announced with the 2021 Mine Plan in the March 2021 quarter.
- During the quarter, the Gruyere JV commenced a renewable energy initiative combining an additional 4 MW gas engine, a 13 MW solar farm and 4.4 MW battery energy storage system to enable plant throughput up to a targeted 10 million tonnes of ore per annum.

Financial and Corporate

- Gold Road's gold sales totalled 34,554 ounces at an average price of \$2,412 per ounce and included delivery of 6,115 ounces at an average price of \$1,801 per ounce into forward sales contracts. Gold doré and bullion on hand at 31 December 2020 totalled 2,653 ounces.
- Free cash flow of \$28.2 million was generated for the quarter (September quarter:

\$22.2 million)¹

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□ The Company ended the quarter in a strong position with cash and equivalents ² of \$132.9 million (September quarter: \$103.0 million) and no debt.

Discovery

□ High-grade assays were returned from diamond and RC drilling at the Gilmour deposit and Smokebush prospect, which included:
□ 4.90 metres at 5.16 g/t Au from 353.10 metres (20WDDD0052W1)³ and 3.75 metres at 3.66 g/t Au from 535.35 metres (20WDDD0051) from extensions to the north and down dip of the Gilmour Resource

□ 15 metres at 6.37 g/t Au from 144 metres (20SMRC0038) and 25 metres at 2.02 g/t Au from 172 metres (20SMRC0039) from the Smokebush prospect

□ Large regolith anomaly defined by wide spaced aircore drilling at the Beefwood Prospect.

□ Gold Road completed construction of the 187 kW solar photovoltaic array and a 408 kWh Tesvolt lithium energy storage hub to provide power to the Yamarna Exploration Camp, offset circa 70% of the Camp's diesel consumption, reduce carbon emissions and limit supply risks.

¹ September 2020 and December 2020 quarter's underlying free cash flow before the sale of an investment

² Cash and equivalents refers to Cash, Doré, and Bullion on hand

³ Gilmour and Smokebush intersections reported as geologically selected. Refer to Tables in Appendices for individual grades > 20 g/t Au.

Mining

Mining totalled 2.3 Mt of ore during the quarter at an average grade of 1.18 g/t Au for 86,398 contained ounces. The mined grade lifted significantly compared to 1.03 g/t Au mined in the September 2020 quarter, in line with expectations, with ore sourced predominantly from fresh rock within the Stage 1 pit.

The rate of waste stripping decreased during the December quarter with the waste to ore ratio falling from 3.1:1 (September quarter) to 2.7:1 with stripping of the Stage 2 pit continuing.

At the end of the quarter, ore stockpiles increased slightly to 3.3 Mt at 0.76 g/t Au (September quarter: 3.2 Mt at 0.70 g/t Au).

[For brevity, this summary has been redacted, to read the full news release, please click HERE](#)

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Disclosure,

The writer holds shares in the company bought in the market at the prevailing market price on the day of purchase.