

## GOLD ROAD ENTERS NEW EXPLORATION AREA

Well-funded mid-tier gold development and exploration company, Gold Road Resources Limited (**Gold Road** or the **Company**) confirms it has signed two earn-in joint venture agreements (**Earn-in Agreements**) with Cygnus Gold Limited (**Cygnus**) over an approximate 3,400 square kilometre area of the Wadderin and the Lake Grace greenfield exploration projects, located in the south-west of Western Australia (Figure 1). The Earn-in Agreements provide Gold Road with the opportunity to earn up to a 75% interest in these two areas.

In addition to the Earn-in Agreements, Gold Road has agreed to subscribe for A\$750,000 in shares in Cygnus' upcoming initial public offering (**IPO**), expected to be in late 2017.

The Earn-in Agreements provide Gold Road with direct exploration exposure to two large tenement holdings over prospective greenstone belts in Western Australia's prolific Yilgarn Craton. These project areas have seen minimal modern exploration due to low resolution geophysical data, widespread soil and laterite cover and a prevailing perception that high-grade metamorphic terranes do not offer the same prospectivity as other Yilgarn Greenstone Belts.

Cygnus has re-interpreted extensive greenstone belts within the high-grade metamorphic terrane of the south-west Yilgarn Craton utilising leading edge proprietary geophysical techniques, and secured substantial land positions over a number of interpreted greenstone belts.

Gold Road will leverage its proven expertise in greenfields exploration in covered greenstone terranes, with the aim to identify plus-million ounce gold discoveries. Recent discovery success in similar high-grade metamorphic terranes include the multi-million ounce Tropicana Deposit in the Albany-Fraser Belt in Western Australia; the 700,000 ounce Tampia resource project (Explaurum) near Wadderin, Western Australia; and the two million ounce Borden Lake Deposit (Gold Corp) in Ontario (Canada), which demonstrate significant deposit sizes in similar geological terranes.

Justin Osborne, Gold Road's Executive Director, Exploration and Growth commented, "Gold Road is looking to acquire greenfield projects with large land holdings in low risk jurisdictions, to complement our Yamarna Greenstone package. The practical and well considered application of new concepts and technologies in what we consider highly prospective gold districts, in the search for new multi-million ounce gold discoveries, is the strength of Gold Road. With the significant decline in Australian greenfields exploration over the last 10 years, Gold Road is looking to fill the void and leverage its proven exploration skills and experience which led to the discovery of the 6.2Moz Gruyere Gold deposit.

As Gold Road's first venture outside the Yamarna Belt, we believe the Wadderin and Lake Grace projects meet our strict target criteria. We are very excited by the cutting-edge work that Cygnus have conducted to identify historically overlooked areas of greenstone in Western Australia's prolific Yilgarn Craton. We believe this a potentially new gold district in an area of Western Australia which has been neglected for many years, and is an area that offers tremendous upside potential."

James Merrillees, Cygnus' CEO added, "Following on from RCF's funding support, we are excited to be partnering with one of Australia's most successful gold explorers, and by Gold Road's strong endorsement of our team and dominant land position in the highly prospective south-west of Western Australia. We look forward to working closely with Gold Road to test priority targets as we progress Cygnus toward IPO in late 2017."

ASX Code GOR

ABN 13 109 289 527

### COMPANY DIRECTORS

Tim Netscher

**Chairman**

Ian Murray

**Managing Director & CEO**

Justin Osborne

**Executive Director,  
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Brian Levett

**Non-Executive Director**

Sharon Warburton

**Non-Executive Director**

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**Company Secretary**

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## Earn-in Agreements Key Terms

### Wadderin Project

- Gold Road can earn a 51% interest in the Wadderin Project by spending A\$1.6 million within 30 months
- After the initial earn-in, Gold Road can elect to earn a further 24% interest (75% in total) by spending a further A\$900,000 (A\$2.5 million in aggregate) over a further 18 months (4 years in aggregate)
- Gold Road can withdraw from the earn-in after spending a minimum of A\$900,000 within 18 months.

### Lake Grace Project

- Gold Road can earn a 51% interest in the Lake Grace Project by spending A\$700,000 within 30 months
- After the initial earn-in, Gold Road can elect to earn a further 24% interest (75% in total) by spending a further A\$500,000 (A\$1.2 million in aggregate) over a further 18 months (4 years in aggregate)
- Gold Road can withdraw from the earn-in after spending a minimum of A\$400,000 within 18 months.

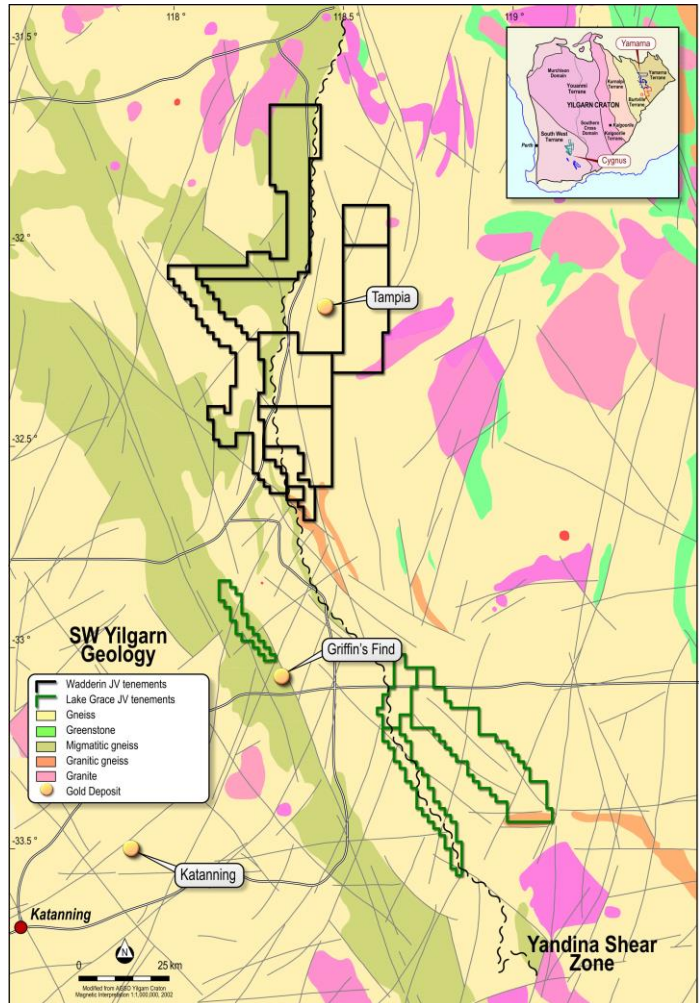


Figure 1: Location and outline of Wadderin and Lake Grace Greenfield Exploration Projects

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

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## About Cygnus Gold

Cygnus is a Perth-based unlisted public company formed in 2016, and focused on the exploration and discovery of economic gold deposits. Cygnus holds more than 5,000 square kilometres of exploration tenements within the Wheatbelt region of southwest Western Australia. Cygnus is led by Chief Executive Officer James Merrillees, a highly experienced exploration geologist, and Chairman Michael Bohm, a mining engineer with over 30 years industry experience.

Cygnus utilised sophisticated targeting methodologies, under the technical leadership of industry renowned exploration geoscientists Dr Amanda Buckingham and Dr Oliver Kreuzer, to identify and secure a portfolio of highly prospective greenstone-hosted gold projects in Western Australia's prolific Yilgarn Craton.

In addition to the Wadderin and Lake Grace Projects, Cygnus has other advanced stage gold exploration projects including drill-ready targets at the Stanley Project, where previous drilling intersected shallow, high-grade gold mineralisation.

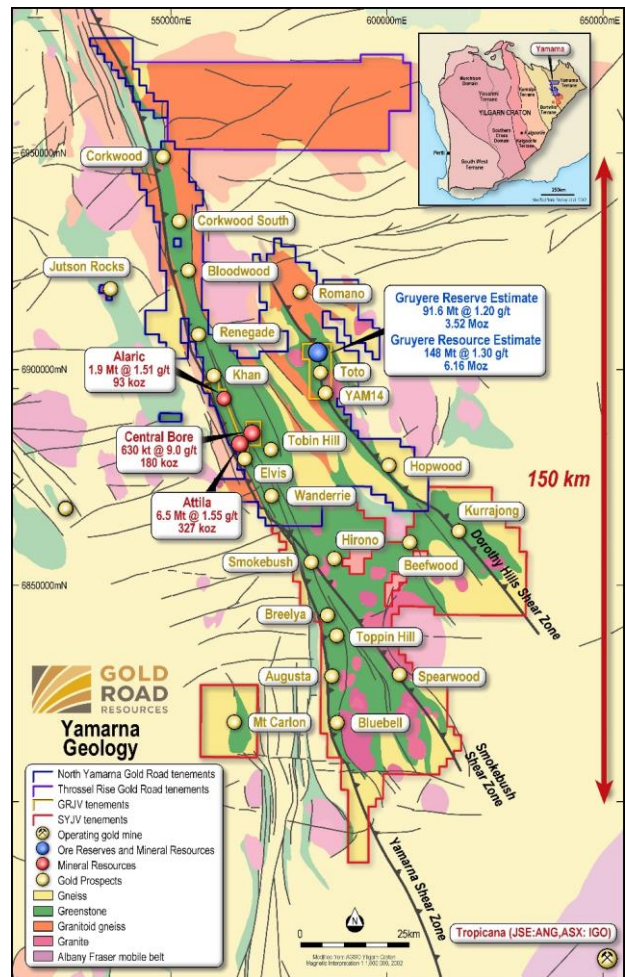
Cygnus is advancing towards an initial public offering on the Australian Stock Exchange, expected to occur in late 2017.

## 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 approximately 6,000 square kilometres in the region, which is historically underexplored and highly prospective for gold mineralisation. The Yamarna leases contain a gold resource of 6.8 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).



Location and Geology of the Yamarna Tenements showing Gold Road's 100% owned tenements (blue outline), Gold Road-Sumitomo South Yamarna Joint Venture tenements (red outline), and Gold Road-Gold Fields Gruyere Joint Venture tenements (yellow outline), Mineral Resources, Ore Reserves (100% basis) and main Exploration Projects

**Mineral Resource Estimate for the Yamarna Leases – August 2017**

	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)
<b>Gruyere Total (0.5 g/t Au)</b>	<b>147.71</b>	<b>1.30</b>	<b>6.16</b>	<b>73.85</b>	<b>1.30</b>	<b>3.08</b>
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
<b>Central Bore Total (1.0 g/t Au)</b>	<b>0.63</b>	<b>9.0</b>	<b>0.18</b>	<b>0.32</b>	<b>9.0</b>	<b>0.09</b>
Measured	0.04	26.5	0.04	0.02	26.5	0.02
Indicated	0.40	9.0	0.12	0.20	9.0	0.06
Inferred	0.19	5.0	0.03	0.09	5.0	0.02
<b>Attila-Alaric Trend Total (0.45 g/t Au)</b>	<b>8.49</b>	<b>1.54</b>	<b>0.42</b>	<b>4.25</b>	<b>1.54</b>	<b>0.21</b>
Measured	0.31	1.90	0.02	0.16	1.90	0.01
Indicated	6.92	1.56	0.35	3.46	1.56	0.17
Inferred	1.26	1.33	0.05	0.63	1.33	0.03
<b>Total</b>	<b>156.83</b>	<b>1.34</b>	<b>6.76</b>	<b>78.42</b>	<b>1.34</b>	<b>3.38</b>
Measured	14.22	1.27	0.58	7.11	1.27	0.29
Indicated	98.43	1.34	4.25	49.22	1.34	2.13
Inferred	44.18	1.36	1.93	22.09	1.36	0.97

**Notes:**

- All Mineral Resources are completed in accordance with the 2012 JORC Code.
- The Gruyere JV is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Ltd a wholly owned Australian subsidiary of Gold Fields
- Gruyere Mineral Resource reported at 0.5 g/t Au cut-off, constrained within a A\$1,700/oz optimised pit shell based on mining and processing parameters from the Gruyere FS 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 Mineral Resource reported at 0.45 g/t Au cut-off, constrained within a A\$1,850/oz optimised pit shell (ASX announcement dated 25 May 2017)
- Alaric Mineral Resource reported 0.45 g/t Au cut-off, constrained within a A\$1,850/oz optimised pit shell (ASX announcement dated 24 July 2017)
- 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**

	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)
<b>Total</b>	<b>91.57</b>	<b>1.20</b>	<b>3.52</b>	<b>45.78</b>	<b>1.20</b>	<b>1.76</b>
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 share of production from the Gruyere Project Joint Venture once total gold production from the Joint Venture 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



## Competent Persons Statements

*The information in this report which relates to Exploration Results is based on information compiled by Mr Justin Osborne, Executive Director-Exploration and Growth for Gold Road. Mr Osborne is an employee of Gold Road, and a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne is a shareholder and a holder of share Options and Performance Rights. 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, General Manager Geology for Gold Road.*

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

- *Mr Justin Osborne is an employee of Gold Road and a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM 209333). Mr Osborne is a shareholder and a holder of share Options and Performance Rights.*
- *Mr John Donaldson is an employee of Gold Road and a Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist (MAIG RPGeo Mining 10147). Mr Donaldson is a shareholder and a holder of Performance Rights.*
- *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 Mr David Varcoe. Mr 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 changed from the original market announcement.*