



GOLD FIELDS

ASX Announcement
9 October 2019



**GOLD
ROAD
RESOURCES**

GRUYERE ATTAINS COMMERCIAL PRODUCTION

Highlights

- **Gruyere attains commercial production at the end of September 2019**
- **Annual guidance for 2019 gold production (100% basis) now anticipated at the upper end of guidance range of 75,000 to 100,000 ounces**
- **All-in Sustaining Cost unchanged for December 2019 quarter between A\$1,050 to A\$1,150 per ounce, as guided in February 2019**

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 advise that commercial production was attained at the end of September 2019 at the Gruyere Gold Mine (**Gruyere**), located approximately 200 kilometres east of Laverton in Western Australia.

Commercial production was attained slightly ahead of guidance for mid-way through the anticipated ramp-up period of 6 to 7 months. The ramp up commenced after the commissioning of the ball mill in early August 2019¹.

Management determined commercial production based on a pre-determined minimum total process plant throughput rate of 70% of nameplate capacity, and a minimum average gold recovery of 85% of expected life of mine metallurgical recovery, measured over a month, with the expectation that these metrics will continue to be met or exceeded in the future.

Costs incurred in developing and commissioning the Gruyere Project, including the process plant and associated infrastructure, have been capitalised to the balance sheet up to the point of commercial production. Having attained commercial production, reporting of All-in Sustaining Cost (**AISC**) and other financial metrics will commence.

As throughput rates and gold recoveries during ramp-up have been above expectations, the Gruyere Joint Venture now anticipates gold production for calendar 2019 to be at the upper end of guidance of 75,000 to 100,000 ounces (100% basis). AISC for the December 2019 quarter is guided between A\$1,050 and A\$1,150, slightly higher than forecast life-of-mine average (A\$1,025 per ounce²) as production continues to ramp-up to full nameplate capacity. This AISC range is in line with guidance released in February 2019³.

The Final Forecast Capital Cost remains within the previously announced A\$621 million (100% basis, +/- 2%)⁴.

CONTACT DETAILS

Gold Road Resources Ltd
Level 2, 26 Colin St
West Perth WA 6005
www.goldroad.com.au
perth@goldroad.com.au
T +61 8 9200 1600

ASX Code GOR

Gold Fields
Level 5, 50 Colin St
West Perth WA 6005
www.goldfields.com
T +61 8 9211 9203

JSE:GFI NYSE: GFI



¹ ASX announcement dated 5 August 2019

² ASX announcement dated 6 December 2018

³ ASX announcement dated 15 February 2019

⁴ ASX announcement dated 30 July 2018

Gruyere is a global Tier 1 gold mine with a long operating life and forecast high margins. Life-of-mine average annual production is forecast at approximately 300,000 ounces per annum at average AISC over a 12-year life of approximately A\$1,025 per ounce.

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

Gold Road Resources

Duncan Hughes
Manager – Business Development & Investor Relations
Tel: +61 8 9200 1600

Gold Fields Australia

Stuart Mathews
Executive Vice President Australasia
Tel: +61 8 9211 9238

Media Enquiries – Cannings Purple

Warrick Hazeldine
whazeldine@canningspurple.com.au
Tel: +61 417 944 616

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