

Gold Road Resources Ltd

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Gold Road Resources presents greenfields exploration plans to 2020 RIU Explorers Conference

Gold Road Resources Ltd (ASX:GOR) has big plans for 2020, with production at the tier one Gruyere Gold Mine joint venture to support exploration activities around its tenements.

The Gruyere Joint Venture with Gold Fields Limited (NYSE:GFI) (JSE:GFI) has an 11-year mine-life producing at 300,000 ounces a year on average, 8.2 million tonnes throughput, a resource base of 6.6 million ounces and a reserve base of 3.7 million ounces.

Gold Road executive director Justin Osborne told the RIU Explorers Conference in Fremantle that the project put the company on the map as Australia's newest gold producer.

He said: "We've been in full gold production six months after first gold with no debt and the ability to support significant exploration."

Guidance this year is 250-285,000 ounces with the JV continuing to ramp-up production.

"Significant cashflow"

Osborne said that if you do the math based on current gold prices of around US\$1200-1300 per ounce, the cash-free margin for the company is around \$120-140 million.

He said: "We're a long-life asset producing high margins of gold - so that's a long-life asset with significant cash flow."

"One of the things that translates to is happy shareholders, but more significantly it translates to direct discovery funding for the company."

Greenfields exploration plans

The simplicity and low cost of the mine means the company can allocate all A\$26 million budget this year to greenfields exploration.

Osborne said: "There's \$26 million going into the ground."

"We're building on our ability to target and generate new projects in Western Australia and beyond."

"We're putting \$18 million into the Yamarna discovery looking for new projects that we can build on and a further \$2.4 million into the JV itself, testing new targets around 10 kilometres to the south of Gruyere."

The Yamarna discovery consists of more than 4,500 square kilometres in and around the Gruyere project and includes the southern project area with a resource of 2.6 million tonnes at 3.09 g/t for 258,000 ounces.

"Targeting 1 million-ounce deposits"

Price: 1.55

Market Cap: \$1.36 billion

1 Year Share Price Graph



June 2019 December 2019 June 2020

Share Information

Code: GOR

Listing: ASX

52 week High Low
1.88 0.805

Sector: Gold & silver

Website: www.goldroad.com.au

Company Synopsis:

Gold Road Resources Ltd (ASX:GOR) is listed on the Australian Securities Exchange.

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The company considers the southern area full of potential to develop a 100%-owned standalone operation or toll treat 55 kilometres from Gruyere.

Osborne said: "Our discovery focus is on targeting 1 million-ounce deposits - that's what we're looking for, that's the size of deposit that we need to develop Yamarna to add a gold mine and processing plant that we would own 100%."

Gold Road has commenced a 20,000 metre aircore drilling program with prioritised greenfields targets including Hirono, Savoi and Redback with further exploration planned on existing target Gilmour resource.

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