



10 March 2021

Company Announcements Platform
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Gold Road Resources 2020 Annual Report

Gold Road today announced its results for the full year ended 31 December 2020. Attached is the 2020 Annual Report including:

- Directors' Report
- Remuneration Report
- 2020 Financial Report

Yours faithfully

Gold Road Resources Limited

Hayden Bartrop
Company Secretary

.....
ASX Code GOR
.....

ABN 13 109 289 527
.....

COMPANY DIRECTORS

Tim Netscher
Chairman

Duncan Gibbs
Managing Director & CEO

Justin Osborne
**Executive Director,
Discovery & Growth**

Brian Levet
Non-Executive Director

Sharon Warburton
Non-Executive Director

Maree Arnason
Non-Executive Director

Hayden Bartrop
Company Secretary
.....

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Annual Report



2020



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Gold Road's Vision:

**To discover and
unlock world
class gold assets**

Our Core Values



We work as one team



We innovate to improve



We care for the wellbeing of all

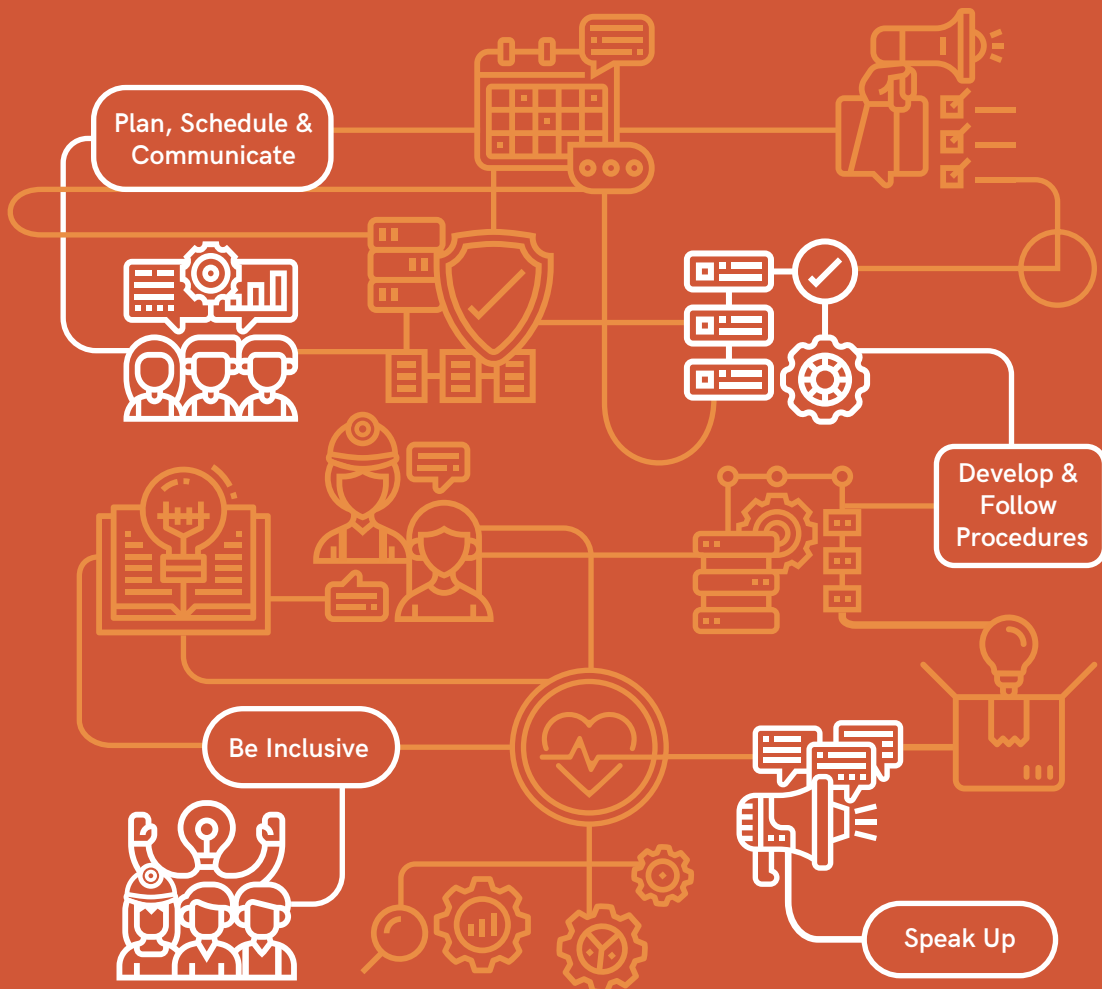


We act with integrity



We deliver

Golden Commitments

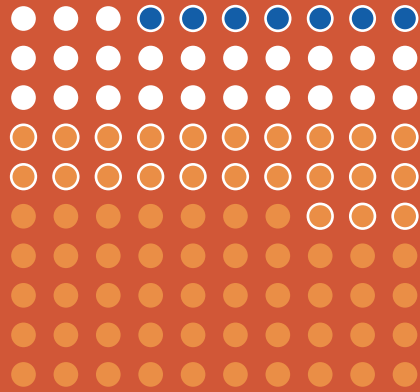


Gold Road 2020 Snapshot

Diversity



Female
Employees



● 30.4% females
● 7.2% females in leadership
● males
● males in leadership

Total Employees 69

Safety

LTIFR

4.73

TRIFR

37.9

Environment



Compliant with all environmental licences and approvals

Governance



Compliant with all governmental licencing and approvals

Renewable Energy



Yamarna Solar Energy
Reducing carbon emissions equivalent to

295
hot air balloons a year

Financials (Gold Road 100%)

Free Cash Flow

\$105_M

Net Cash

\$126_M

NPAT

\$81_M

EPS

9.19_{cents}
(basic)

Revenue

\$295_M

(from Ordinary Activities)

EBITDA

\$171_M

Operations (Gold Road Attributable)

Produced

129,087_{oz}

AISC

\$1,273

(per attributable ounce)

Mineral Resource

4.53_{Moz}

Ore Reserves

1.74_{Moz}

Chairman's Letter



Dear Shareholder,

It is my great privilege to present this Annual Report to you following an unprecedented year for Gold Road.

Before I share with you some of your Company's achievements this year, including Gruyere's first 12 month period of gold production that has enabled your Board to determine to pay a maiden dividend, let me touch on the pandemic that has swept the world.

Like all companies and all sections of our society, Gold Road too was affected by COVID-19. I would like to commend the collaborative work of industry, our employees, community, suppliers, and the Western Australian Government which enabled us to continue to operate through this challenging time.

Most of the world's mining jurisdictions have had to contend with hundreds, and in many cases thousands, of COVID-19 cases. By comparison, the West Australian mining sector has registered a mere handful of cases, with no instances of mining community transmission.

While the pandemic risks remain elevated and we continue to be cautious and vigilant, the West Australian mining sector can be immensely proud of this unparalleled world-leading performance.

It has been achieved by the industry working together in strong collaboration with the Western Australian Government under the umbrella of our various industry bodies, particularly the Chamber of Minerals and Energy of Western Australia, and relied on the considerable diligence and willingness of our fabulous workforce.

Specifically at Gold Road, we responded with pace and determination to protect our staff and our community. We modified FIFO rosters, implemented remote working arrangements for our Perth staff and changed travel and work practices for our exploration team. We had to defer face-to-face engagements with investors and held a virtual AGM - much to our great disappointment as we place great value on the personal interactions with our shareholders.

As mentioned, the pandemic is not over, Gold Road remains highly vigilant. However, you should take great comfort in the tremendous work done to date by Managing Director and CEO, Duncan Gibbs and his team to protect our Company and its people, incorporating the unequivocal buy-in across the entire organisation, while also continuing to grow Gold Road into a significant and sustainable mid-tier Australian gold producer.

"Despite the unprecedented global events of the past 12 months that supported a strong gold price, 2020 was a successful year for Gold Road."

In 2020, we completed our first full year of operations at our 50% owned Gruyere Gold Mine in Western Australia, a Tier 1 low-cost and long-life asset with current mine life in excess of 10 years. Annual production is expected to lift from 258,173 ounces produced in 2020 to a sustainable 350,000 ounces by 2023 (100%).

Gruyere's strong performance resulted in free cash flow of \$105.5¹ million which bolstered Gold Road's cash reserves and enabled the full repayment of the \$130.4 million of total borrowings and to report a full year net profit after tax of \$80.8 million.

In September, your Board announced Gold Road's policy to target an annual aggregate dividend payout of 15% to 30% of free cash flow, to be paid in two six-monthly instalments. Dividends will be subject to Board discretion and Gold Road maintaining a minimum net cash balance of \$100 million (after the payment of any dividend), calculated by reference to the free cash flow for that six-month period.

In line with the dividend policy, your Directors have determined to pay a maiden fully franked dividend of 1.5¢ per share, representing 17% of free cash flow for the six-month period July to December 2020.

At this time, it is worth reflecting on Gold Road's incredibly short journey from the discovery of Gruyere in 2013 to first gold poured less than two years ago to today, where we are a profitable, dividend-paying and socially responsible member of the S&P/ASX 200 index of Australia's leading listed companies.

In line with Gold Road's evolution, we are expanding our focus on best practices across the environment, social and governance (ESG) functions. Gold Road will be publishing its first stand-alone Sustainability Report - Mapping the Future - and I encourage you to read this important document.

During the year we welcomed Maree Arnason to the Board as an Independent Non-executive Director. Maree is a highly experienced and respected corporate leader. She has already made a valuable contribution and is chairing Gold Road's Risk and ESG Board Committee.

Despite the unprecedented global events of the past 12 months that supported a strong gold price, 2020 was a successful year for Gold Road. 2020 saw the Company build and strengthen its business which has enabled Gold Road to launch into 2021 off a strong foundation with positive momentum.

On behalf of the Board, I thank Duncan and the entire Gold Road team for their dedicated and sustained efforts. I would also like to extend my personal thanks to my fellow board members for their support and sage advice during the year.

In conclusion, I wish retiring Gold Fields Managing Director and CEO, Nick Holland good health and every success in his future endeavours. Nick played a leading role in establishing the Gruyere Joint Venture as a truly win-win relationship, allowing the participants, Gold Road and Gold Fields, to build on each other's strengths. I look forward to continuing this important relationship with Nick's successor, Chris Griffith.

I thank all Gold Road shareholders for your continued support of, and faith in, our Company. I hope to be able to catch up with many of you again at our forthcoming AGM.



A handwritten signature in black ink, appearing to read "Tim Netscher".

Tim Netscher
Non-executive
Chairman

¹Free cash flow excludes movements in borrowings

Managing Director's Report



I am delighted to be reporting on a year of achievement at Gold Road.

As the Chairman states in this Annual Report, Gold Road moved early and decisively in response to COVID-19 to ensure the health and wellbeing of all our staff, contractors, and our local communities. While COVID-19 was disruptive to our personnel with longer roster cycles, work from home arrangements, and juggling work with home schooling and parenting responsibilities, I am enormously grateful to our team for their dedication and commitment, which enabled us to continue to deliver against our goals. While many businesses faced the challenges of redundancies and reduced employee working hours, we continued to produce and explore for gold, supporting our suppliers and local communities; and, in line with our strategy, seized the opportunity to build management and technical capability in Gold Road.

Gruyere ramped up production in 2020 with the operation transitioning from predominantly oxide ore processing to milling harder fresh rock ore. The change from softer to harder ore processing, combined with the failure of components in the ball mill resulted in lower than anticipated production in the September quarter. Gold Road immediately took the prudent path and revised annual guidance for 2020 from 250,000 - 285,000 ounces to 250,000 - 270,000 ounces (100%) and revised the all-in sustaining costs (AISC) range from between A\$1,150 - A\$1,250 per ounce to A\$1,250 - A\$1,350 per ounce².

With a strong end to 2020, Gruyere's full year production came in at 258,173 ounces (100%). Gold Road's share, 129,087 ounces, was achieved at an AISC of A\$1,273 per ounce, at the lower end of the revised cost guidance² and only marginally higher than the initial guidance range provided in February 2020.

Gold Road delivered free cash flow of \$105.5³ million for 2020 and a net profit after tax of \$80.8 million. As at 31 December 2020, Gold Road had a cash and cash equivalents balance of \$126.4 million and no debt following the repayment of borrowings in July 2020. Owing to the strong cash flow generation from Gruyere, our balance sheet is in a strong position for a company that commenced the year with a newly built mine.

Turning to safety, the weighted average Lost Time Injury Frequency Rate (LTIFR) was 2.81 (Gruyere and Gold Road), with a Total Recordable Injury Frequency Rate (TRIFR) of 3.47 (Gruyere) and 37.9 (Gold Road). I am disappointed with our TRIFR, and although other safety metrics are showing improvement and the injuries were low severity, our performance is not acceptable. I am committed to working collaboratively with our contractors and employees to prevent all injuries in our workplaces.

In late 2020, the Gruyere JV signed contracts with APA Group to deliver a renewable energy hybrid microgrid as an expansion of the Electricity Supply Agreement. The increased installed power generation capacity will reduce carbon emissions by an estimated 16,000 t CO₂-e per annum, with an approximate 5% reduction in power cost, compared to gas-fired engines. The renewable energy project will enable the process plant to operate reliably under all conditions and will support a targeted increase in processing capacity of up to 10 Mtpa. The renewable energy project is a great win for the environment and shareholders.

Gruyere successfully attained ISO14001 Environmental, ISO45001 Safety, and International Cyanide Management Code certifications in 2020. A commendable effort for an operation in the first full year of operation.

²ASX announcement dated 24 September 2020: Gruyere Production Update

³Free cash flow excludes movements in borrowings

"At our Yamarna exploration facility we installed a solar farm and battery storage solution that now provides 70% of the daily power requirement, with reduced greenhouse gas emissions."

Gruyere finished well in 2020; however, we see that there is still considerable potential at the operation. In February 2021, we provided a comprehensive update to the market outlining 2021 guidance, a 3-year outlook and the longer term opportunities we are pursuing at Gruyere⁴.

The Gruyere JV is seeking to unlock the full potential of the process plant via several initiatives which aim to lift annual throughput to a targeted 10 Mtpa. Combined with an increase in mined grade as we develop higher grade pit stages, the 3-year outlook shows a 35% to 50% increase in annual gold production to a sustainable 350,000 ounces. There is potential for significant growth in free cash flow with AISC maintained at low levels.

Through 2020 we have been considering an expansion of the open pit to exploit some of the 1.2 million ounce Indicated Mineral Resource located below the current open pit design. Comprehensive metallurgical test-work and geotechnical data has been collected. With increased confidence in costs and productivities from a full year of operating, we anticipate studies, to enable reporting of an increased Ore Reserve, to be concluded in the second half of 2021.

Looking at longer term opportunities, we are in the early stages of considering the potential for underground mining below the Gruyere pit. A \$5 million deep drilling programme has been committed for 2021 with the objective of establishing the potential scale of the Gruyere orebody at depth⁵.

We continue to look for shareholder wealth-generating opportunities led by our systematic exploration of the Yamarna Belt. Most of our \$26 million exploration budget in 2020 was spent at Yamarna, mainly in the Southern Project Area, though we continued to explore the Yandina Project in the south-west Yilgarn region of Western Australia. The 2021 exploration budget of \$27 million will continue to progress this systematic and targeted exploration approach, with the expectation that drilling will become progressively more focused as targets are delineated and refined.

We will consider inorganic value accretive growth opportunities that are complementary to the low risk, high quality, long-life Gruyere asset. We also recognise that quality assets are rare, and the purpose of any acquisition is not growth, it is to create shareholder wealth. In that context, we have a team actively seeking and evaluating opportunities, but without a compulsion to transact.

Gold Road is committed to becoming an ESG leader in our sector. I have already spoken about the renewable energy project at Gruyere. At our Yamarna exploration facility we installed a solar farm and battery storage solution that now provides 70% of the daily power requirement, with reduced greenhouse gas emissions.

We made significant improvements to our environmental practices and compliance to: reduce impacts on the natural environment; enhance our rehabilitation programme; protect heritage sites; reduce our dependence on community water supplies; enhance our safety performance and improve the health and wellbeing of our workforce. Further information is detailed in our soon to be released Sustainability Report – Mapping the Future.

Gold Road's strong performance in 2020 is a tribute to the efforts of all our people, contractors, and our Gruyere JV partner Gold Fields. I thank them sincerely.

Thank you, too, to my leadership team for their efforts and dedication, and to the Chairman and the Board for their continued support of our strategy.



**Duncan Gibbs,
Managing Director
and CEO**

⁴ASX announcement dated 16 February 2021: Gruyere 3 Year Plan, 2021 Guidance and Growth Strategy

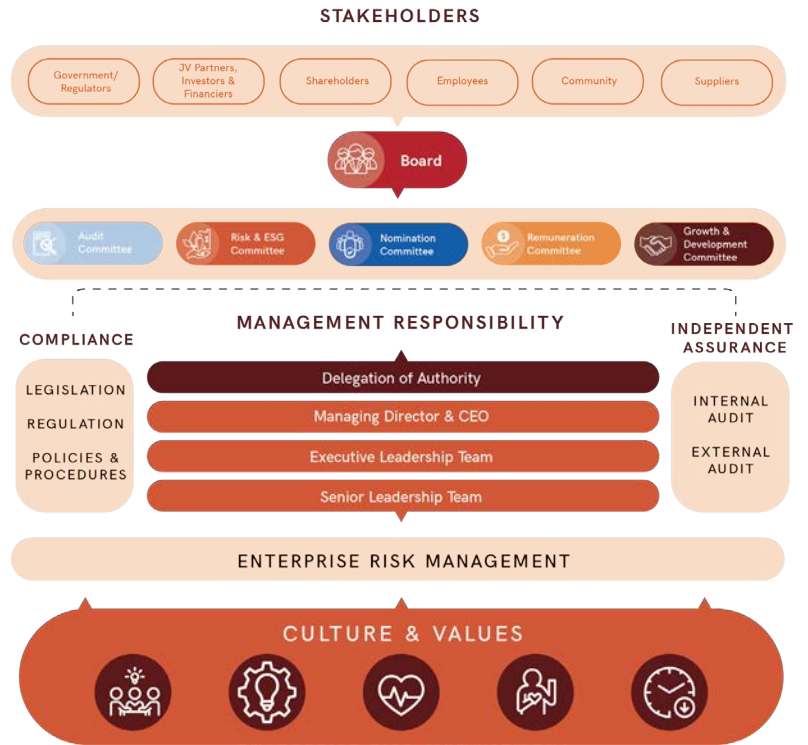
⁵ASX announcement dated 16 February 2021: Gold Road Updates Mineral Resource and Ore Reserve Statements

Governance

A large, dark, layered rock face at a mine pit. The rock is composed of many angular, dark grey to black fragments, some of which are stacked in a somewhat regular pattern, suggesting a specific geological structure or mining process. The rock face is steep and dominates the background. At the base of the rock face, two workers in yellow safety gear and white hard hats are standing, providing a sense of scale. The ground in the foreground is covered in loose, dark rock fragments and debris. The sky is a pale, overcast grey.

Gruyere
Stage 1 Pit
Mine Geologists
mapping ore face

Right
Corporate Governance
Framework



Overview

The Directors of Gold Road support the establishment and on-going development of good corporate governance for the Company. The Board believes that high standards of governance create a corporate culture that values integrity and ethical behaviour.

Gold Road has adopted systems of control and accountability as the basis for the administration of corporate governance, this is illustrated in Gold Road's Corporate Governance Framework.

	Governance	Social	Environment
Gold Road Board			
Board Charter	●	●	●
Company Constitution	●		
Continuous Disclosure Policy	●	●	
Corporate Code of Conduct	●	●	●
Corporate Governance Statement 31 December 2020	●		
Director Related Entities Policy	●		
Securities Trading Policy	●	●	
Shareholder Communications Policy	●	●	
Audit Committee			
Audit & Risk Committee Charter	●	●	●
Anti-Bribery & Corruption Policy	●		
External Auditor and Rotation of Audit Engagement Partners	●		
Standard Terms & Conditions	●		
Supplier Code of Conduct	●	●	●
Tax Contribution and Governance Report	●		
Whistleblower Policy	●	●	
Risk & ESG Committee			
Risk and ESG Committee Charter	●	●	●
Community Management Committee Charter (Gruyere JV)		●	●
Diversity & Inclusion Policy		●	
Environmental Policy			●
Health, Safety and Wellbeing Policy	●	●	
Human Rights Policy		●	
Privacy Statement	●	●	
Risk Management Policy	●	●	●
Nomination Committee			
Nomination Committee Charter	●		
Selection and Appointment of New Directors Policy & Procedure	●		
Remuneration Committee			
Remuneration Committee Charter	●		
Remuneration Policy	●		
Growth & Development Committee			
Growth & Development Committee Charter	●		

The policies and procedures within these systems of control and accountability are summarised in the Corporate Governance Policy Structure. The Board is committed to ensuring these policies and procedures are enacted with openness and integrity, with the intent of providing a strong framework and practical means for ensuring good governance outcomes which meet the expectations of stakeholders.

Left
Corporate Governance
Policies Structure



Gold Road Board of Directors and Company Secretary

	Gold Road Board	Audit Committee	Risk & ESG Committee	Nomination Committee	Remuneration Committee	Growth & Development Committee
Tim Netscher (Independent)	Chair	●	●	●	●	
Sharon Warburton (Independent)	●	Chair	●	●	●	
Brian Levett (Independent)	●			Chair	Chair	Chair
Maree Arnason (Independent)	●	●	Chair			●
Duncan Gibbs (Executive)	●					●
Justin Osborne (Executive)	●					

Above Table
Board and Board
Committees Memberships

● = member

ASX Corporate Governance Council’s Principles and Recommendations

Gold Road supports the intent of the ASX Corporate Governance Council’s Principles and Recommendations. In 2020, Gold Road reported to the 4th Edition of the ASX Corporate Governance Council’s Principles and Recommendations for the full year. Gold Road complies with all of the principles and recommendations, except in relation to setting a measurable objective for achieving gender diversity in the composition of its board to have not less than 30% of its directors of each gender within a specified period. While not setting a formal measurable board gender objective, Gold Road met this criterion in June 2020.

Governance changes

The Board have implemented policies and practices that are considered appropriate for the Company given its current size and complexity. The Board’s process and practice is to review all corporate governance policy documents throughout the year. In 2020, we published our Human Rights Policy and Supplier Code of Conduct and updated the Securities Trading, Risk Management, and Health, Safety and Wellbeing policies.

Copies of current corporate policies, including the 2020 Corporate Governance Statement, are available on the Gold Road website goldroad.com.au.

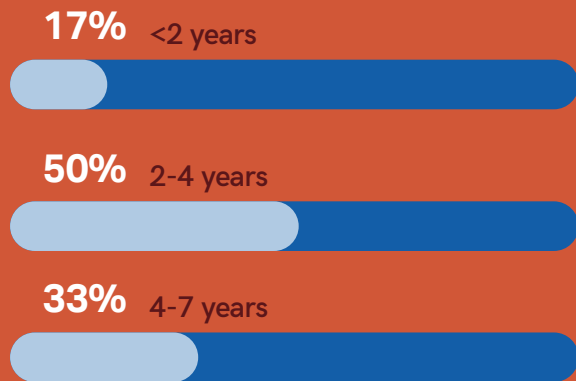
The Board undertakes a skills assessment annually to ensure that the Board has the skills to meet the current and evolving needs of the Company. The 2020 Board skills assessment acknowledged the desire to enhance the Board skills in the risk, corporate and ESG areas. Ms Arnason was identified as having the relevant experience and expertise.

With the appointment of Ms Arnason, the Board increased its membership to six, including four independent Non-executive Directors.

The Board also undertook a review and restructure of its Committees to reflect the evolving needs of the Company and draw on the experience and expertise of the expanded Board. This resulted in the establishment of a new Risk and ESG Committee under the chairmanship of Ms Arnason. Non-financial risk was moved from the Audit and Risk Committee to the Risk and ESG Committee. The Audit Committee now only considers financial risk matters when reviewing risk. The Remuneration and Nomination Committee has been split into separate committees in line with good corporate governance practice. Board Committee memberships have been revised and enhanced to better reflect the skills and experience of the relevant directors.

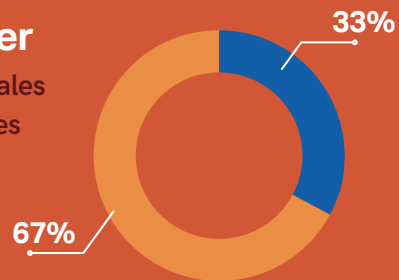
Board Tenure & Diversity

Tenure



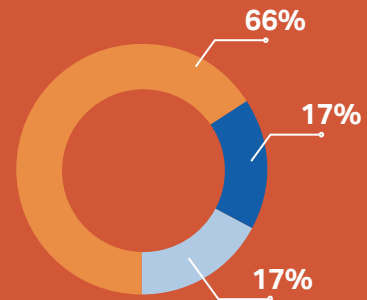
Gender

- females
- males



Age

- 50-59
- 60-69
- 70-79



Tax Risk Governance Framework

Gold Road has an established Tax Risk Governance Framework which includes a Tax Compliance Policy to identify tax risks (actual and potential). A risk register is maintained for each tax risk which is reported to the Audit Committee, and reputable external tax consultants are engaged to provide tax advice to maintain compliance with taxation regulation.

Internal Control and Assurance Framework

Gold Road has an internal audit function to provide independent assurance that risk management, governance and internal control processes within Gold Road are operating effectively. The internal audit function is performed by an independent external service provider who report their findings directly to the Audit Committee. A rolling four year internal audit plan has been implemented, which is reassessed annually, to ensure that key control processes across the business are tested.

Modern Slavery Statement

The Australian Modern Slavery Act 2018 (Cth) requires large organisations to lodge annual statements which explain what those businesses are doing to assess and address risks of modern slavery in its operations and supply chains. The Act is designed (amongst other things) to increase business awareness of modern slavery risks and improve transparency across global supply chains. As Gold Road reports on a calendar year basis, Gold Road will publish its inaugural Modern Slavery Statement prior to 30 June 2021.

In 2020, the key actions taken by Gold Road to assess and address risks of modern slavery were the introduction and implementation of the Human Rights Policy and Supplier Code of Conduct, updating Standard Terms and Conditions, and assessing the risk of major suppliers (including the completion of a Modern Slavery Self-Assessment Questionnaire by our major suppliers). Until the release of the Modern Slavery Statement, information on Gold Road’s approach to Modern Slavery can be found on Gold Road’s website at goldroad.com.au.

Serious Misconduct Reports

In 2020, there were no reports received of any serious breaches of Gold Road’s policies. In particular there were no matters reported or referred under the Corporate Code of Conduct, Whistleblower Policy or the Anti-Bribery & Corruption Policy. Gold Road has engaged BDO Advisory (WA) Pty Ltd as its independent and confidential reporting agency, under the Whistleblower Policy. There were no matters referred to them in 2020.

Zero reports received of any serious breaches of Gold Road’s policies

Managing Risk

Gold Road views sound risk management systems as integral to the Company's long-term sustainability. We are committed to continually improving how we identify, assess and mitigate risk. The Board and management work collaboratively to ensure that enterprise risk is aligned with the Company strategy and the Board ensures that the Company's risk appetite is set appropriately to minimise risk and maximise opportunity.

In 2020, the Company enhanced its enterprise risk management framework and system by implementing the following improvements:

- Creation of a Risk and ESG Board Committee
- Consolidation of Company risk matrices to ensure they are embedded into the business
- Implementation of an enterprise risk management application

Gold Road's risk register ranks risks across the business on likelihood, severity of consequences and risk velocity. Our current risk categories include Strategic Direction, Financial, People and Culture, Health, Safety and Wellbeing, Environment, Social/Cultural Heritage, Legal and Compliance, and Reputation. From 2021 we will be expanding our risk categories to include Climate Change. Each risk is assigned a Risk Owner (at management level) with the risk controls documented using one system. Regular reviews and verifications are undertaken by management and the Board to ensure that risks are effectively managed, and the risk management system is operating as intended.

Material Risks

The Company, through its normal business management and the development of its strategy, is exposed to different types of risks that could adversely affect the Company's financial position, prospects or reputation.

The highest ranked residual business risks are continually monitored by the Risk and ESG Committee with financial risks monitored by the Audit Committee and reviewed by the Board. The Board is engaged on emerging and common risks impacting the resources industry, such as the COVID-19 pandemic, climate change, cultural heritage, and cyber security.

Government Regulation

Gold Road's current and future activities are subject to various laws and statutory regulations governing all aspects of the business including development, production and exploration, taxes, royalty payments, labour relations, occupational health and safety, land use, water use, the protection of the environment, Native Title and cultural heritage, and to obtaining and maintaining the necessary titles, authorisations, permits and licences. No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the Company's financial position and results of operations. Failure to comply with, or any such amendments to, current laws, regulations and permits governing operations and activities of mining, exploration and development projects, or more stringent implementation thereof, could have a material adverse impact on the Company's result of operations, financial condition and prospects.

Market Risk

Gold Road may be adversely affected by fluctuations in the Australian dollar gold price. As a means of protecting against the downside risk of a falling gold price we may use Australian dollar denominated gold forward sales contracts and put options on a measured proportion of future gold sales. This, along with ongoing monitoring and analysis of commodity and currency markets, downside scenario analysis, and contingency planning, ensures we are able to adequately manage operating margins and cash flows as a going concern in a low gold price environment. If the spot gold price rises above the price of gold forward sales contracts, this will result in lower future revenues than if the gold was sold at spot prices.

“We are committed to the development of sustainable operations, listening to, and working with our local communities and broader stakeholders to ensure our continued ability to operate.”

Stakeholder Expectations

Gold Road acknowledges its stakeholders increased expectations to open and transparent information and engagement. The Company recognises climate change as a serious challenge to society and the environment, and for its potential to impact on our industry and business activity.

A failure to address stakeholder expectations, meet our commitments or comply with our statutory and contractual obligations may result in a loss of stakeholder and community support. Further consequences may result in reputational damage, inhibit our ability to obtain relevant approvals and permits or reduce access to capital markets.

We are actively committed to the development of sustainable operations, listening to, and working with our local communities and broader stakeholders to ensure our continued ability to operate. Accordingly, we proactively focus on achieving outcomes that support our strategy, including the delivery of sustainable and long-term benefits to our stakeholders. This is demonstrated through our extensive consultation with the Traditional Owners that resulted in the Gruyere Native Title agreement which delivers benefits to all parties.

Health, Safety and Environmental Events

We recognise the importance of maintaining a strategic, operational, and tactical focus on health, safety and environment to ensure that we do not harm our people or the environment in which we work. A sustainable value-based health, safety and environmental culture is core to Gold Road and extends to the Gruyere JV where we value alignment with our JV partner on the desired health, safety and environmental performance of the Gruyere operations. We are committed to continual improvement in relation to the management of our health, safety and environment and its performance.

From a health and safety perspective, the key identified operational risks are mental health impacts, light and heavy vehicle interactions, aviation operations, working at heights, working in confined spaces, entanglement and crushing, explosives, hazardous and dangerous substances, uncontrolled release of energy, fall of ground, lifting operations and remote work.

From an environmental perspective the key identified operational risks are containment of tailings, impacts to biodiversity, saline water and hydrocarbon spills, and unplanned emissions.

Operational Performance

The Gruyere JV is the key contributor to ongoing cash flow and the Company could be adversely impacted if the Gruyere operation does not deliver expected outcomes.

Key factors that may impact production and cost performance include: uncertainty in the resource tonnes and grade; the performance of contractors and suppliers; damage to, or, the performance of critical infrastructure; supply chain disruptions; cyber security; labour supply; and poor labour relations. Damage to, or, the performance of the processing facility, power supply and other critical supporting infrastructure may be negatively impacted by premature equipment failures, maintenance practices, fire, and force majeure events. Risk management controls include resource estimation and reconciliation practices; engaging with contractors and suppliers; maintaining critical spares; adequate reagent and consumable inventories; fire and flood prevention; emergency response capabilities and maintaining an engaged workforce. Audits and inspections validate the effectiveness of risk management.

Gold Road maintains a strong oversight of the Gruyere operation, which is managed by Gold Fields. Under the JV agreement Gold Fields is required to follow the terms of the agreement to effect specific actions. Technical, Community and Management Committees, representing both JV parties are provided with management reports and meet regularly. Key decisions (e.g. annual business, life of mine plans, material contract and capital decisions) require the approval of both JV parties via the Management Committee. There is a strong emphasis on integration and collaboration to solve issues and to attain industry leading performance in all aspects of the Gruyere JV.

Business Growth

In pursuing growth opportunities through discovery, acquisition or other means, we may be exposed to a loss of company value. To mitigate the risk, Gold Road focusses on opportunities only in low risk jurisdictions. We also ensure appropriate technical and financial discipline is applied to our growth activities. We recognise the importance of appropriate evaluation of identified investment opportunities incorporating strong governance, and well-defined investment criteria with accompanying hurdles, will best position us to achieve growth success.

Annual Sustainability Reporting

This year Gold Road is very proud to be publishing the first Sustainability Report in accordance with the Global Reporting Initiative Standards (GRI) Core reporting and aligned with the Sustainability Accounting Standards Board (SASB) Metals and Mining Standard, and the Task Force on Climate Related Disclosures (TCFD). We intend to report annually. This is a major step towards realising our ambition to become an ESG leader in the gold industry.

In preparing this report, to be published in March 2021, we benchmarked our performance against a range of sustainability standards and frameworks, reviewed the sustainability context, and consulted with a range of internal and external stakeholders in accordance with the GRI Principles for Defining Reporting Content.

Stakeholders identified over 40 topics that are important to them, which we classified into broad themes: environment, labour relations, indigenous relations, local socio-economic impacts, climate change, governance, sustainability management and human rights. We have addressed each of these themes either in the Sustainability Report or in this Annual Report. The Index at the back of the Sustainability Report will provide an easy information locator for readers.

Following is a brief overview of Gold Road's sustainability metrics, further details will be available in our Sustainability Report – Mapping the Future.

Gold Road is committed to a diverse and inclusive culture and to the health, safety and wellbeing of all employees and contractors. This includes eliminating workplace injuries and illness.

Gold Road's 2020 LTIFR was 4.73, an improvement on 2019 but higher than the LTIFR for the gold industry of 2.0 and 4.2 in the exploration sector. However, our LTI duration rate was nine days, compared to the average LTI duration rates of 23 days (gold industry) and 33.4 days (exploration sector)⁶. There were no fatalities or serious injuries in our operations during the reporting period.

At the end of the reporting period, Gold Road had 69 people working across our 100% owned and operated assets of which approximately 50% are site-based. Most site-based employees work on a FIFO basis (fly-in, fly-out basis) as the nearest local community is around 200 kilometres away, is small and cannot meet all our employment needs. We maintained above-industry-average employment of women but unfortunately no direct indigenous employees, a situation we hope to change in 2021.

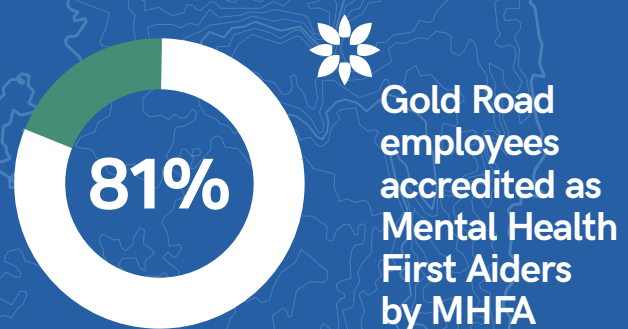
Gold Road maintained its gold accreditation with Mental Health First Aid Australia with 81% of Gold Road employees accredited as Mental Health First Aiders at 31 December 2020.

Gold Road has been working with the Cosmo Newberry community, the Yilka people and other Traditional Owners since the Company was founded in 2005. The major portion of the Yamarna and Gruyere JV tenements are situated on Yilka Country, which comprises 12,260 square kilometres to the north-east of Laverton on the edge of the Great Victoria Desert in Western Australia.

Gold Road's approach to community relations is respectful and participatory. The Company seeks to enhance value for all our stakeholders through creating positive impacts, while avoiding or mitigating any negative impact resulting from our exploration and development activities. Our broader community programmes and investment aim to support local economic development, education, and pathways to employment. We meet regularly with local stakeholders including local government and Indigenous communities.

Gold Road applies the precautionary principle to all our environmental management activities. During the reporting period there were no reportable environmental incidents, no sanctions, nor fines. In 2020, we updated our Exploration Environmental Management Plan which was approved by DMIRS. We also updated our environmental training and initiated additional GIS native flora and fauna mapping to help us protect native species now and in the future.

Highlights of Gruyere's sustainability metrics are in the Review of Operations section.



⁶Source: Safety Performance in the Western Australian Mineral Industry 2019/20 Accident and Injury Statistics, Department of Mines, Industry Regulation and Safety



Review of Operations

Gruyere JV

Production (Gruyere 100%)

Produced

258,173 oz

AISC

A\$1,273

(Gold Road Attributable)

8.1 Mt Tonnes Ore Processed

26.4 Mt Total Material Moved

Safety

LTIFR

2.60

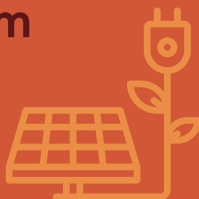
TRIFR

3.47

Renewable Energy Project 2021

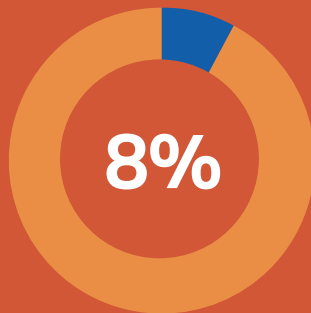
Reducing carbon emissions by 16,000 t CO₂-e per annum

(estimate)



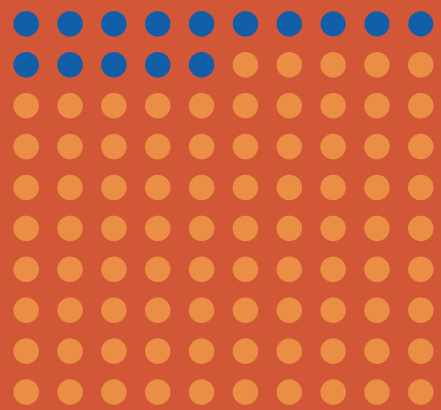
Diversity

503 2020 Workforce



Average Indigenous Workforce CY2020

Workforce



● 15% females ● males

Estimated Emissions (Gruyere 100%)

0.0211 t

CO₂-e per tonne ore processed

0.6626 t

CO₂-e per ounce gold produced

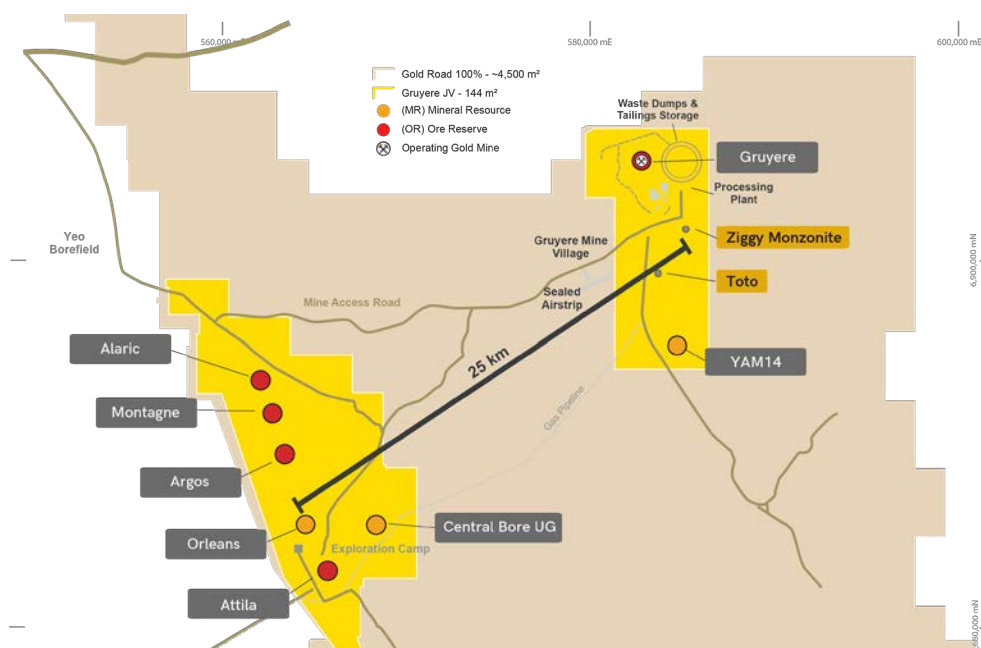


ISO 14001 Environment

ISO 45001 Safety



International Cyanide Code certification



Gruyere and Golden Highway tenements

The Gruyere Gold Mine, located approximately 1,200 kilometres north-east of Perth in Western Australia's north-eastern Goldfields, is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Ltd, a member of the Gold Fields Ltd group and the manager of the operations. Mining and processing operations at Gruyere run 24 hours a day, with personnel working 12-hour shifts. Gruyere has a total workforce of approximately 500 personnel, who commute via jet aircraft from Perth with a flight time of approximately 90 minutes. Gruyere has a number of personnel that commute from the local communities - Laverton and Cosmo Newberry - approximately 200 kilometres from the mine. A regular bus service drives local community employees to and from the mine, a trip that takes approximately 2 hours each way. In 2020, on average, 8% of Gruyere's workforce came from the local Traditional Owner group, other indigenous groups, and Aboriginal Torres Strait Islanders. The workforce is accommodated in a 748 person village that includes the amenities expected at a large modern West Australian mine site.

Gruyere experienced no material production impacts associated with COVID-19. The Gruyere JV moved early to implement the necessary steps to minimise the risks posed by COVID-19, including temporary changes to FIFO rosters and increasing hygiene measures on site. Full credit and thanks must go to the entire Gruyere team for their diligent - and continued - efforts during the pandemic.

The excellent safety performance at Gruyere continued with a LTIFR of 2.60 and a TRIFR of 3.47 for the year ended 31 December 2020. There were no fatalities or serious injuries at the Gruyere operation nor were there any reportable environmental events during the reporting period.

In 2020, Gruyere achieved steady state operations and completed its first full calendar year of production.

Annual gold production was 258,173 ounces (100%), within the annual guidance of between 250,000 - 270,000 ounces provided by Gold Road in February 2020. AISC for Gold Road's 50% share of Gruyere's production in 2020 were A\$1,273 per attributable ounce, at the lower end of the revised annual guidance of between A\$1,250 - A\$1,350 per ounce provided by Gold Road in September 2020.

Gold Road sold 126,434 ounces during 2020 for an average sales price of A\$2,330 per ounce, including 38,620 ounces delivered into forward sales contracts. Gold Road's Corporate-all-in-cost (CAIC)⁷ was one of the lowest in the Australian gold sector during 2020 at A\$1,592 per ounce and reflects the low growth capital requirements at Gruyere as well as exploration and corporate costs.

A total of 8.09 million tonnes of ore at an average grade of 1.09 g/t Au was mined during the year. Total mining rates increased in the second half, with the second mining fleet mobilising as planned, and a commensurate increase in waste stripping, to average 2.3:1 ratio for the year.

Processed ore totalled 8.11 million tonnes at an average head grade of 1.06 g/t Au (2019: 3.28 million tonnes processed at an average head grade of 1.05 g/t Au). Metallurgical recoveries averaged 92.6% and were slightly better than Feasibility Study expectations. Reagent usage was lower than modelled for the year and favourably impacted production costs.

⁷CAIC consists of AISC plus growth capital, plus exploration costs plus corporate costs. It excludes hedging, corporate tax and dividend payments.

Gruyere Gold Mine production and cost information

OPERATION (100%)	Unit	Dec 2020 Qtr	Sep 2020 Qtr	Jun 2020 Qtr	Mar 2020 Qtr	2020 [#]	2019 [^]
Ore Mined	Mt	2.27	1.86	2.13	1.84	8.09	6.71
Waste Mined	Mt	6.06	5.69	3.83	2.78	18.36	13.09
Strip Ratio	w:o	2.7	3.06	1.80	1.51	2.3	1.95
Mined Grade	g/t	1.18	1.03	1.06	1.06	1.09	0.87
Ore milled	Mt	2.11	1.89	2.19	1.93	8.11	3.28
Head Grade	g/t	1.12	1.03	1.06	1.05	1.06	1.05
Recovery	%	91.8	91.5	93.1	94.1	92.6	93.3
Gold Produced**	oz	70,794	55,919	71,865	59,595	258,173	99,130
Cost Summary (GOR)***							
Mining	A\$/oz	123	150	158	179	152	140
Processing	A\$/oz	479	579	461	520	506	464
G&A	A\$/oz	101	118	109	92	104	73
Ore Stock & GIC Movements	A\$/oz	24	(33)	3	33	8	40
By-product Credits	A\$/oz	(3)	(4)	(2)	(2)	(3)	(2)
Cash Cost	A\$/oz	724	811	728	822	768	715
Royalties, Refining, Other	A\$/oz	81	86	86	77	82	65
Rehabilitation*	A\$/oz	20	19	16	19	18	23
Sustaining Leases	A\$/oz	95	114	93	100	100	85
Sustaining Capital & Exploration	A\$/oz	346	458	309	117	304	214
All-in Sustaining Costs	A\$/oz	1,265	1,488	1,233	1,135	1,273	1,102

*Rehabilitation includes accretion and amortisation. #Gold Road operates to a calendar financial year. **Gold produced is after Gold in Circuit adjustment ***Cost per ounce reported against gold ounces produced during the quarter and either sold or held as doré/bullion during the quarter. ^2019 costs are post Commercial Production which was declared at 30 September 2019.

Mining and ore processing transitioned from predominantly oxide ore early in the year to predominantly fresh rock ore in the second half, with reconfiguration of the milling circuit and associated mill down time required in the September quarter to achieve targeted throughput rates on fresh rock ore. Additionally, production in the September quarter was impacted by the failure of a ball mill motor bearing. The issues in the September quarter led to a reduction in annual production by an estimated 10,000 ounces.

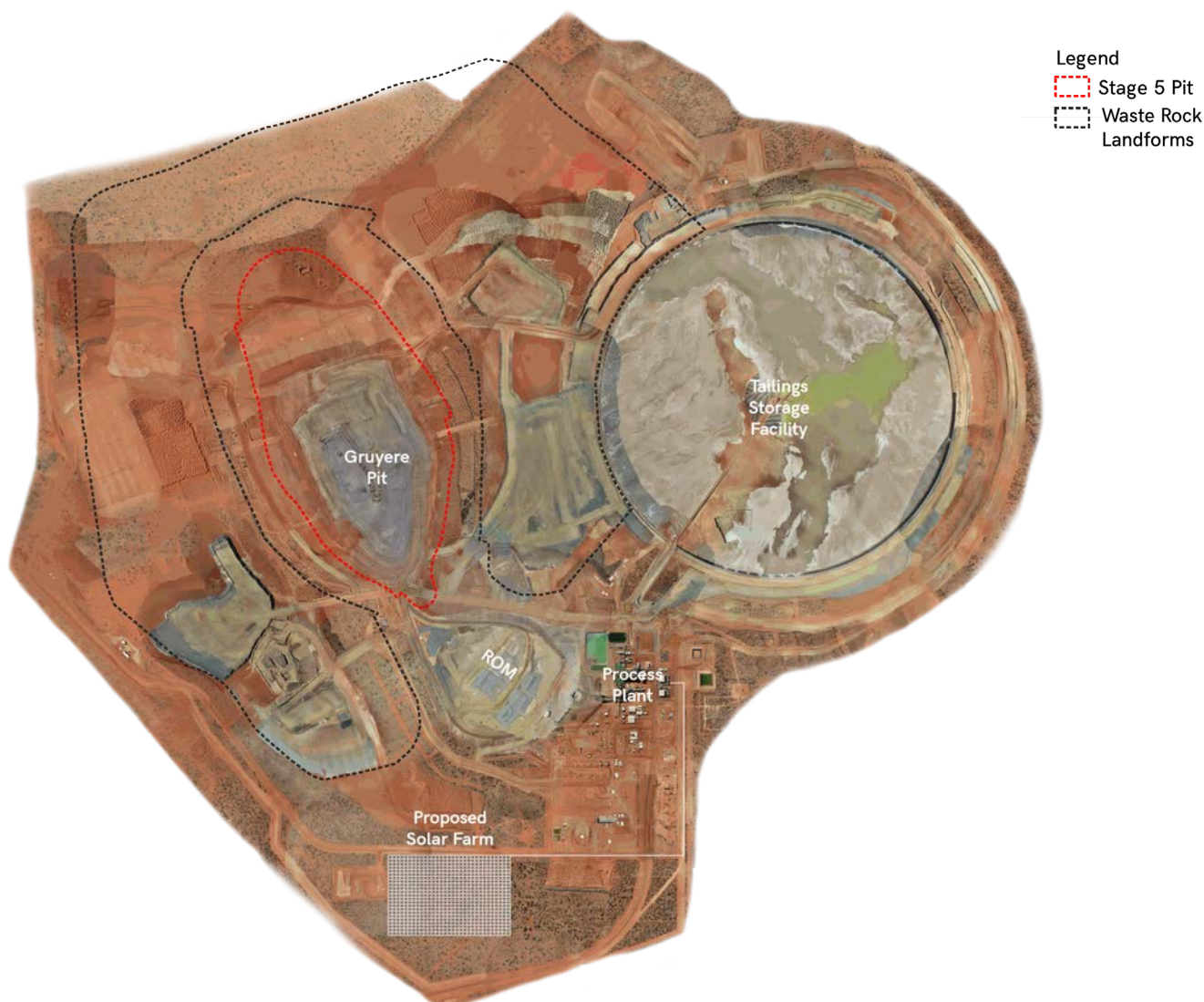
The annual plant production rate was largely in line with the 8.2 Mtpa design rate. However, this improved operating throughput rate was impacted by a low average plant utilisation of 83% which restricted the overall production rate. Considerable progress was made during the year in increasing the reliable performance of the process plant, with structured programmes in place to improve component wear life, reduce the frequency and duration of planned maintenance, and upgrade to the pebble crushing circuit with a goal of lifting plant utilisation to industry benchmark levels.

A programme of mine to mill optimisation to increase mill throughput rates commenced during the second half of 2020 with blending of fresh and softer oxide ore. In addition, changes to drill and blast equipment and practices which includes higher intensity blasting, proved successful in enhancing plant production rates.

The programme of improvements will continue into 2021, with the pebble crusher upgrade scheduled for completion by the end of the March 2021 quarter.

The Gruyere JV reports under the National Greenhouse and Energy Reporting Act (2007). As anticipated estimated CO₂ emissions showed an increase resulting from Gruyere's first full year of production. For the reporting period, Scope 1 intensities, direct emissions from Gruyere activities, are estimated at 0.6626 tonne CO₂-e per ounce of gold produced, 0.0211 tonne CO₂-e per tonne of ore processed and 0.0065 tonne CO₂-e per tonne of material moved.

In late 2020, the Gruyere JV committed contracts with APA Group, the power provider at Gruyere, to install an additional 4 MW reciprocal gas engine, a 13 MW solar array and 4.4 MW battery energy storage solution. The commitment to renewable energy will reduce carbon emissions from Gruyere by an estimated 16,000 t CO₂-e per annum, while reducing the anticipated power supply unit cost by approximately 5%, when compared to gas power generation. The increased installed generation capacity and improved resilience to operate under high temperature conditions forms part of the strategy to enable an increase in plant throughput up to a targeted 10 Mtpa by 2024.



Aerial view Gruyere Gold Mine and proposed location of Gruyere Solar Farm

Gruyere JV Exploration (50%)

The focus of the Gruyere JV has been the effective conversion of Mineral Resources into Ore Reserves as well as to identify potential new resources within close proximity to the Gruyere mine and on the Golden Highway.

Gold Road updated the Mineral Resources and Ore Reserves for the Golden Highway Deposits through the year using an increased gold price assumption of \$2,000 and \$1,750 per ounce, planning inputs based on Gruyere operating performance, a small amount of infill drilling at Attila, and assay data from limited metallurgical drilling into the Montagne and Argos models. The Golden Highway Deposits' Mineral Resource increased by 21% to 840,000 ounces (100%), while the Ore Reserve remained unchanged at 31 December 2020.

The Gruyere JV also conducted the first early-stage exploration to be completed on the project since 2014. During the year the JV completed 6,505 metres of aircore, 5,463 metres of RC and 2,254 metres of diamond drilling focused on the Toto and Ziggy Monzonite Milestone 2 Targets. Assay information will be incorporated into our targeting models to help further understand the geology and prospectivity in the Gruyere area. A budget allowance has been made for further follow-up activity in 2021 once full data compilation has been completed.

Aircore
**6,505
metres**

RC
**5,463
metres**

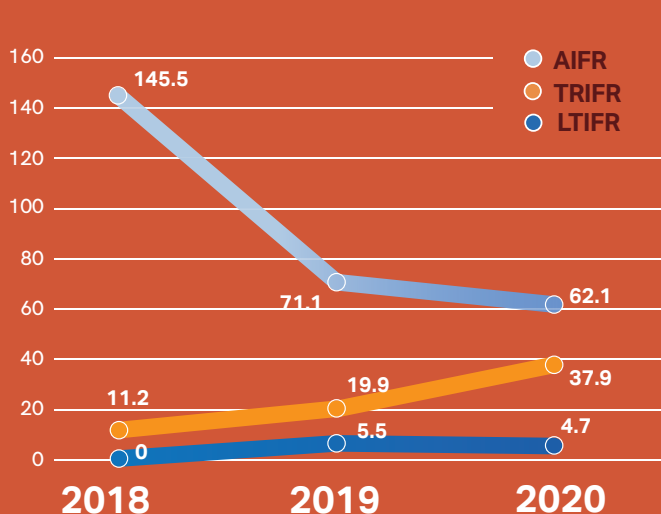
Diamond
**2,254
metres**

Discovery

Gold Road’s strategy for discovery is to deliver new value-adding, economic gold deposits to be developed as standalone mining operations driving the creation of shareholder value through organic growth.

Mineral Resource	2020 Budget
0.3 Moz (100% owned)	\$26M
Drill Metres	2020 Area Rehabilitated
136,927 metres	211 ha

Safety



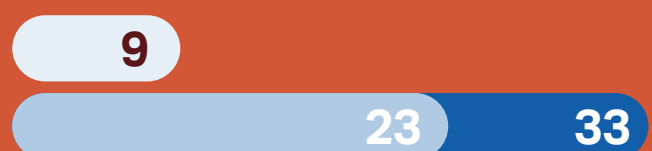
Gold Road Compared to Industry Data

- Gold Road
- Gold Industry
- Exploration Sector

LTIFR



LTI Duration Rate (Days)

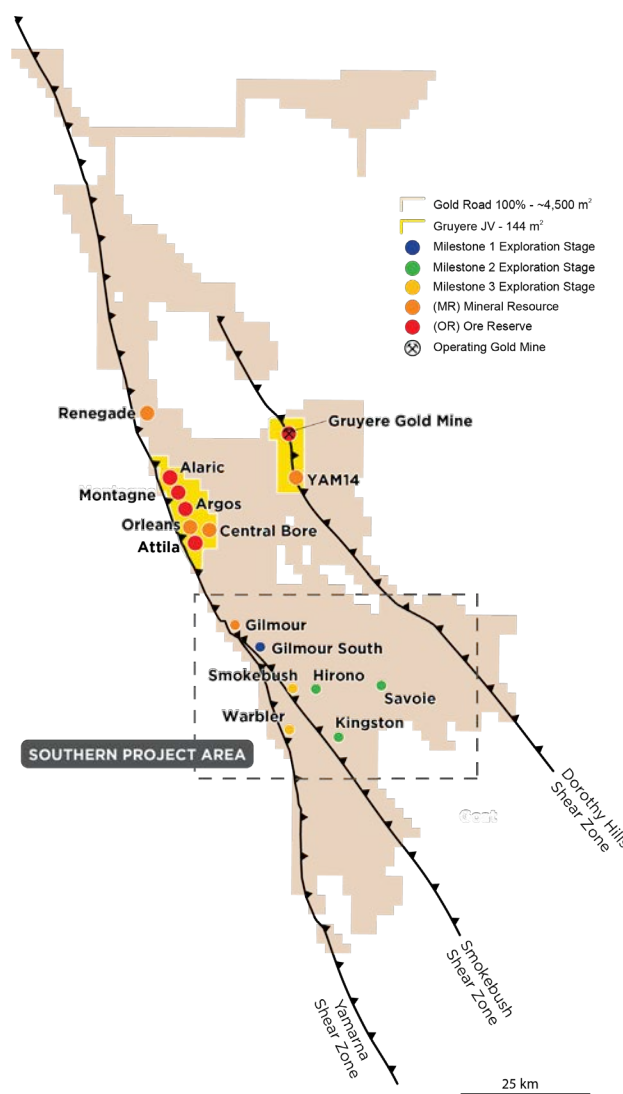


The Company's primary exploration focus remains on the Yamarna Belt, which hosts the Gruyere Gold Mine and has been our major area of activity since the discovery of Gruyere in 2013. The Company holds interests in tenements covering approximately 4,500 square kilometres and a strike length of more than 180 kilometres, providing access to one of the most highly prospective yet under-explored greenstone belts in Western Australia. The majority of the tenements in the Yamarna Belt are outside of the Gruyere JV and owned 100% by Gold Road. The remoteness of the Belt and challenging exploration conditions, with extensive sand cover and virtually no surface water, has historically resulted in the geology being both poorly explored and understood.

In 2020, Gold Road invested \$26 million (100%) on exploring the Yamarna tenements through programmes that included drilling, geochemical sampling, detailed geophysical surveys, detailed structural analysis, and project generative work. In total, Gold Road drilled 2,116 aircore, 161 RC and 39 diamond holes for a total of 136,927 metres. Four of the diamond holes (1,866 metres) were co-funded by the Western Australian Government's Exploration Incentive Scheme.

The Company has built an exceptionally competent and capable multi-disciplinary project generation team of highly credentialed technical specialists. With the technical proficiency of the new established team we have a clear goal to improve the effectiveness of exploration targeting, reducing our exploration risk and shortening the timeline to economic discovery. Project generation builds on the systematic correlation of all geologic datasets and our understanding of gold mineralisation systems within a geographical framework to focus exploration targeting.

In 2020, Gold Road developed a series of nested framework studies from Australia-wide to project (e.g. Yamarna and Yandina) scale. These framework studies enable Gold Road to undertake rapid assessment and targeting of geology providing the mechanism to rate and rank opportunities to enhance the Project Pipeline. A key outcome of our framework studies is the generation of high-quality scalable GIS data that is being used as input to bespoke prospectivity analysis. The framework datasets are stored within a proprietary searchable, spatial database and provide the foundation for disciplined, effective target identification and exploration.



Yamarna Belt Tenements

Yamarna Gold Targets

The exploration focus at Yamarna in 2020 shifted from the high-strained Yamarna Shear Zone and Dorothy Hills Shear Zone into less well-explored, structurally complex thicker portions of the Yamarna Belt, centred on the Southern Project Area. While we are confident smaller scale discoveries (similar to the Golden Highway Deposits) will be made along the Yamarna Shear corridor, the probability of discovering the meaningful deposits to which we aspire is considered greater in this prospective Southern Project Area. As a result, the Company directed a higher proportion of reconnaissance aircore drilling to test new target areas while continuing to work on both a greater belt-scale geological understanding and a detailed analysis on deposit-scale mineralisation controls. This strategy led to the recognition of several promising new targets which advanced through Gold Road's Project Pipeline. Work outside of the priority Southern Project Area continued to test existing exploration targets and maintain our exploration tenure in good standing.

Aircore

2,116 holes

RC

161 holes

Diamond

39 holes

Total

136,927
metres

Exploring Yamarna Belt



Milestone 1



Milestone 2



Milestone 3



Milestone 4



Milestone 5



Mining Project

Target Generated
Anomaly Definition

Anomaly Generated
Framework Drilling

Target Defined
Definition Drilling

Mineral Resource
Definition Drilling
and Studies

Ore Reserve
Grade Control Drilling
and Studies

Gold Road uses a staged Project Pipeline approach to manage, prioritise and measure success of the exploration portfolio. Each target is classified by milestone and ranked using geological and economic criteria. Regular peer review, prioritisation and strategy ensure that the highest quality projects are progressed across all stages of exploration.

Southern Project Area



Milestone 1

Gold Road predominantly focussed exploration activities in 2020 in the Southern Project Area. This included the Milestone 1 targets at Kingston, Hirono, Savoie and Beefwood which were elevated to be our highest-ranking targets by year end. Systematic aircore drilling programmes were supplemented by detailed geophysical and geochemical surveys, and structural and geological synthesis, to provide improved geological interpretations for the area and identifying high potential targets for follow-up drilling.



Milestone 4

At the Gilmour Deposit (Milestone 4), drilling extended the mineralisation footprint with new high-grade intercepts including 4.9 metres at 5.16 g/t Au from 353 metres and 3.75 metres at 3.66 g/t Au from 535 metres. Gilmour was the first Yamarna deposit, outside of the Gruyere JV, to report a Mineral Resource after Gold Road declared a maiden Mineral Resource in December 2019, of 2.6 million tonnes at 3.09 g/t Au for 258,400 ounces including open pit and underground components. Exploration drilling in 2020 focussed on extending the mineralisation along strike and at depth, and an updated Mineral Resource will be completed in 2021. Initial metallurgical test-work at Gilmour indicated overall gold recoveries of approximately 94% with a high gravity component. Late in the year, Gold Road was granted land access to the Gilmour South tenement area, providing access to a further 15 kilometres of prospective geology similar to the Gilmour Deposit. Gilmour and Gilmour South are priority targets for 2021.



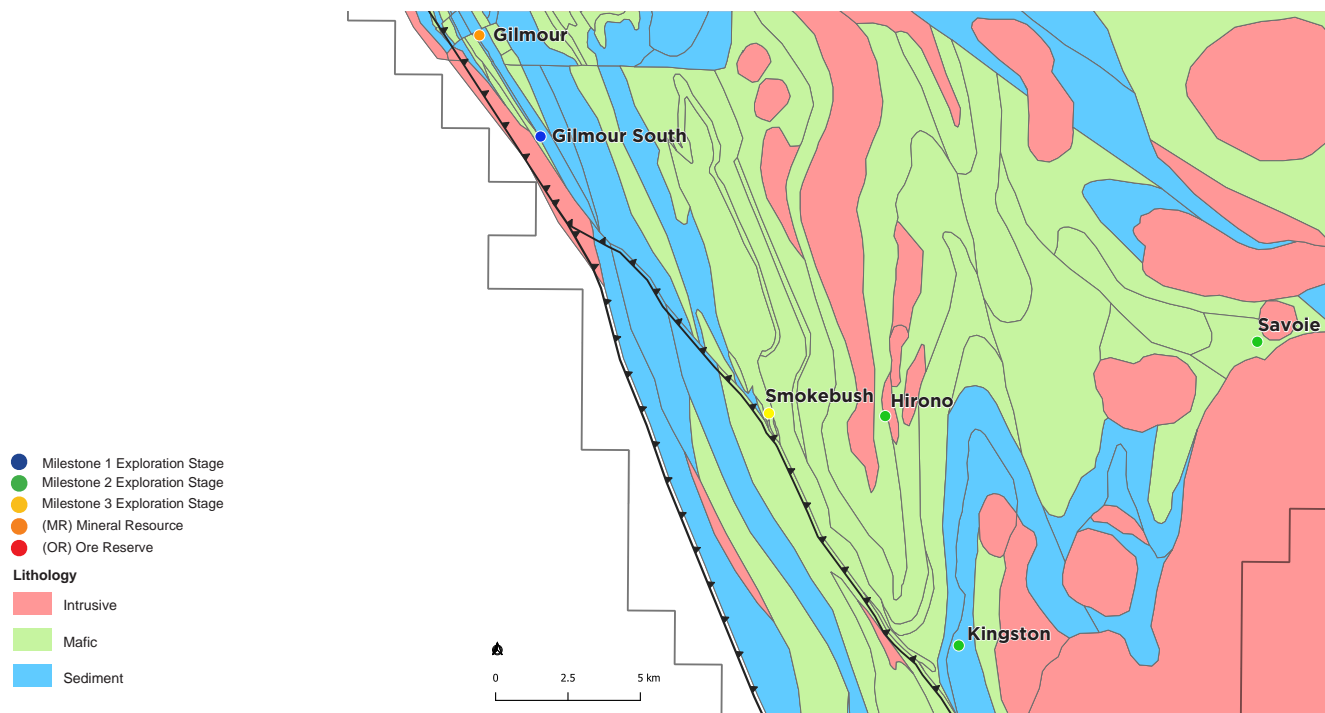
Milestone 3

Gold Road also made significant progress at the advanced Smokebush Prospect (Milestone 3). A new structural analysis and interpretation was completed on existing drilling to improve the understanding of the subtle and complex nature of the mineralisation controls. With revised ideas and identification of discrete high-grade shoots a campaign of 11 RC holes (2,015 metres) and 1 diamond hole (388 metres) was completed to test the continuity of high-grade zones and possible extensions to the south. Intercepts in the Smokebush Central Zone included 15 metres at 6.37 g/t Au from 144 metres and 25 metres at 2.02 g/t Au from 172 metres, while extensions were confirmed with intersections such as 2 metres at 23.07 g/t Au and 8 metres at 1.72 g/t Au almost 600 metres to the south, where the mineralisation remains open.



Milestone 1

The Milestone 1 Kingston Target which is approximately 5 kilometres south-east of Smokebush, comprises a favourable setting for gold mineralisation characterised by a large-scale folded differentiated dolerite unit intersected by the prospective Smokebush Shear Zone. Large-scale regolith gold anomalies identified through aircore drilling in 2019 were followed up with deeper drilling through 2020. Gold Road completed 38 RC holes (5,731 metres) and 9 diamond holes (2,542 metres) targeting bedrock mineralisation and potential shear zones with the first diamond hole intersecting 1 metre at 10.39 g/t Au from 181 metres, with further mineralisation confirmed in the RC drilling. Follow-up drilling is planned in 2021.



Southern Project Area Geology

Yandina Project

Gold Road assumed management of the Yandina Project from Cygnus Gold (ASX: CY5) in October 2020. Gold Road and Cygnus Gold are joint venture partners in the Yandina JV (Gold Road 89.9%) and the Lake Grace JV (Gold Road 87.2%). The Yandina Project covers an area of approximately 3,000 square kilometres of underexplored greenstone belt in the south-west Yilgarn region of Western Australia.

In 2020, a 20,000 metre aircore drilling programme was completed across Yandina focussing on the Hammerhead Target area. A follow-up campaign, comprising 8,500 metres of aircore, 750 metres of RC and 500 metres of diamond drilling, commenced late in 2020 and will be completed in 2021.



2021 Outlook

The priority activity in 2021 continues to be on making a meaningful discovery at Yamarna. With the acquisition of key datasets collected over the last three years, and tremendous advances made in our understanding of the Yamarna geology, we have developed a comprehensive exploration plan focussed on the prospective Southern Project Area. This area clearly shows the most favourable geological ingredients required for large-scale gold mineral system discoveries. The systematic targeting and exploration of 2020 will continue into 2021 with regional and infill aircore programmes in this area, and an increase in the deeper RC and diamond drilling to test for potential deposits beneath large anomalies already identified at our Kingston, Hirono and Savoie Targets. The aim is to advance our high-priority Milestone 1 targets to clear discovery, while continuing to uncover other new targets supported by our improved geological understanding. We will concurrently continue work on our highest ranked advanced projects at Gilmour (Gilmour, Warbler, Gilmour South) and Smokebush where we hope to grow the Yamarna Mineral Resource base in support of our strategic growth ambitions.

Gold Road has an exploration budget of \$27 million for 2021. With more than 170,000 metres of drilling scheduled across Yamarna and Yandina in 2021, supported by enhanced technical capability, we believe we are maximising our chances of making the next meaningful gold discovery.

Mineral Resource and Ore Reserves⁸

Gold Road Mineral Resource and Ore Reserve Governance

Gold Road governs its activities in accordance with industry best practice. The Ore Reserve and Mineral Resource is reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition), Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

The Gruyere Open Pit Mineral Resource and Ore Reserve estimates were compiled by Gold Fields Competent Persons and reviewed by Gold Road Competent Persons. The Golden Highway (Attila, Orleans, Argos, Montagne, Alaric), Central Bore Underground, and the YAM14 Mineral Resources were compiled by Gold Road Competent Persons and reviewed by Gold Fields Competent Persons. The Golden Highway (Attila, Argos, Montagne, Alaric) Ore Reserves were compiled by Gold Road Competent Persons and reviewed by Gold Fields Competent Persons. The Gilmour and Renegade Mineral Resource were compiled and reviewed by Gold Road Competent Persons.

The Gruyere Underground Mineral Resource estimate was compiled and reviewed by Gold Road Competent Persons. The evaluation utilised the same Gruyere JV Mineral Resource model that informed the open pit evaluations. An assessment of the JORC 2012 criteria for Reasonable Prospects of Eventual Economic Extraction regarding the Gruyere Underground Mineral Resource was completed and endorsed by an independent leading industry expert.

Gruyere JV Ore Reserves

The Gruyere JV Ore Reserve, at 31 December 2020, is derived for Gruyere and the Golden Highway Deposits which include Attila, Argos, Montagne and Alaric. Ore Reserves are reported on a 100% basis at a A\$1,750 per ounce gold price for the Gruyere and Golden Highway Deposits. The Gruyere JV Ore Reserve totals 86.85 million tonnes at 1.24 g/t Au for 3.48 million ounces of gold, representing a decrease of 0.25 million ounces (-7%) from the previous Ore Reserve at 31 December 2019 (Table 1).

The Gruyere Open Pit Ore Reserve decreased by 0.25 million ounces primarily due to mining depletion of 0.28 million ounces, offset by minor changes to the underlying Mineral Resource model during 2020.

The Golden Highway estimates are based on an updated Pre-feasibility Study completed for the Gruyere JV by Gold Road in 2020 with no material change year-on-year.

The Gruyere JV Ore Reserve is estimated from the respective Mineral Resources after consideration of the level of confidence and by taking account of material and relevant modifying factors. The Proved Ore Reserve estimate is based on the Measured Mineral Resources. The Probable Ore Reserve estimate is based on the Indicated Mineral Resources. No Inferred Mineral Resources have been included in the Ore Reserve (Table 2).

Table 1: Year on year Gruyere JV Ore Reserve comparison (total Proved and Probable categories)

Deposit	Ore Reserve - December 2020			Ore Reserve - December 2019		
	Tonnes Mt	Grade g/t Au	Metal Moz Au	Tonnes Mt	Grade g/t Au	Metal Moz Au
Gruyere JV						
Gruyere OP	79.78	1.24	3.17	86.84	1.22	3.41
Golden Highway OP Total	7.07	1.35	0.31	6.54	1.46	0.31
<i>Attila OP</i>	3.74	1.42	0.17	3.61	1.54	0.18
<i>Argos OP</i>	0.49	1.20	0.02	0.44	1.26	0.02
<i>Montagne OP</i>	2.01	1.23	0.08	1.50	1.37	0.07
<i>Alaric OP</i>	0.84	1.42	0.04	0.99	1.44	0.05
Total (100% Basis)	86.85	1.24	3.48	93.38	1.24	3.72
Gold Road 50% Attributable	43.43	1.24	1.74	46.69	1.24	1.86

OP = open pit, UG = Underground. For Ore Reserves Notes refer to Table 4

⁸ASX announcement dated 16 February 2020: Gold Road Updates Mineral Resource and Ore Reserve Statements.

Table 2: Gold Road Attributable and Gruyere JV Ore Reserve Estimate - December 2020

Project Name / Category	Gold Road Attributable			Gruyere JV - 100% Basis		
	Tonnes Mt	Grade g/t Au	Contained Metal Moz Au	Tonnes Mt	Grade g/t Au	Contained Metal Moz Au
Gruyere OP Total	39.89	1.24	1.58	79.78	1.24	3.17
Proved	8.05	1.02	0.26	16.10	1.02	0.53
Probable	31.84	1.29	1.32	63.67	1.29	2.64
Golden Highway Total	3.54	1.35	0.15	7.07	1.35	0.31
Proved	-	-	-	-	-	-
Probable	3.54	1.35	0.15	7.07	1.35	0.31
Total Gruyere JV	43.43	1.24	1.74	86.85	1.24	3.48
Proved	8.05	1.02	0.26	16.10	1.02	0.53
Probable	35.37	1.30	1.47	70.75	1.30	2.95

OP = open pit, UG = Underground. For Ore Reserves Notes refer to Table 4

Gruyere JV Mineral Resource

The Gruyere JV Mineral Resource, as at 31 December 2020, totals 156 million tonnes at 1.34 g/t Au for 6.71 million ounces a slight increase of 0.1 million ounces (after mining depletion). The Gruyere JV Mineral Resource includes the Gruyere Deposit, the Golden Highway Deposits, YAM14 and Central Bore underground. The Mineral Resources are reported on a 100% basis and are constrained within optimised pit shells based on a A\$2,000 per ounce gold price and deposit-specific modifying factors and cut-off grades (Table 3).

The updated Gruyere Deposit resource model used for the Open Pit Mineral Resource estimate incorporates new drilling information from 5 surface diamond holes and 144 grade control RC holes completed in late 2019 and through 2020. Grade control drilling completed in 2020 validated the existing model, and mine operation production reconciled closely with the Ore Reserve.

With limited additional drilling, the Open Pit Mineral Resource remains largely unchanged at 135.5 million tonnes at 1.31 g/t Au for 5.73 million ounces, with the main points of variance being depletion of the Mineral Resource model of 0.31 million ounces, and an addition of 0.24 million ounces associated with the increased gold price assumption of A\$150 per ounce to A\$2,000 per ounce.

The main changes to the Golden Highway and YAM14 Deposits are an increase of 0.15 million ounces associated with an increased gold price assumption, and offsetting reductions associated with a minor increase to the Modifying Factors based on 2020 operating costs. Infill drilling was incorporated into the Attila model, and assay data from limited metallurgical drilling was incorporated into the Montagne and Argos models. The new drilling confirmed the existing models, with only a minor reduction in the Attila resource grade.

Table 3: Year on year Gruyere JV Mineral Resource comparison (total Measured, Indicated and Inferred categories) 100% basis.

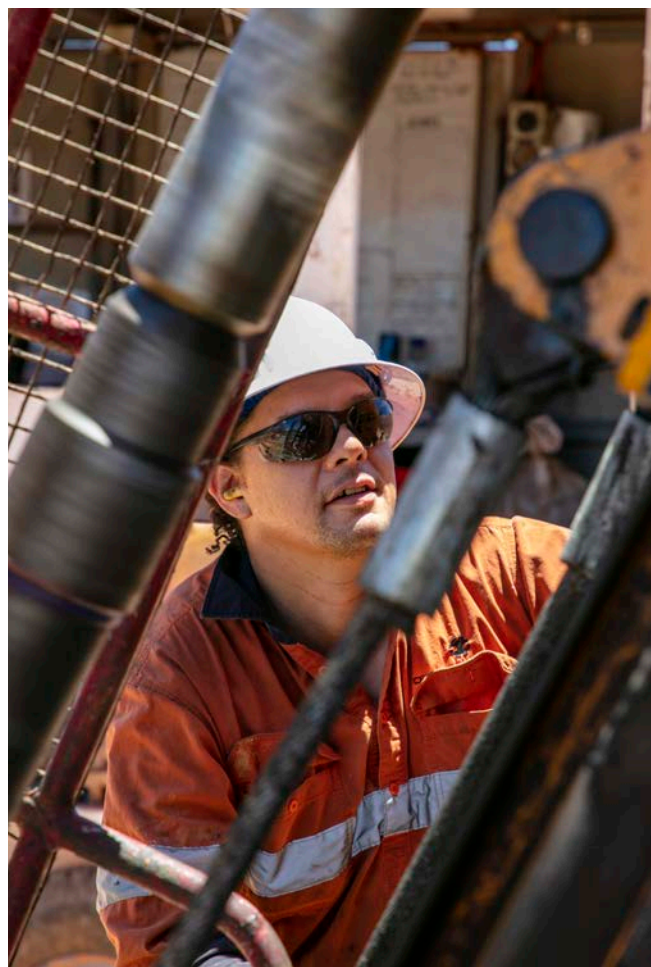
Deposit	Mineral Resource December 2020			Mineral Resource December 2019		
	Tonnes Mt	Grade g/t Au	Ounces Moz	Tonnes Mt	Grade g/t Au	Ounces Moz
Gruyere OP	135.54	1.31	5.73	137.95	1.31	5.79
Golden Highway Total	18.90	1.38	0.84	14.72	1.47	0.70
<i>Attila OP</i>	6.52	1.51	0.32	5.95	1.62	0.31
<i>Orleans OP</i>	1.12	1.56	0.06	1.01	1.64	0.05
<i>Argos OP</i>	3.89	1.17	0.15	2.17	1.20	0.08
<i>Montagne OP</i>	4.67	1.24	0.19	3.21	1.26	0.13
<i>Alaric OP</i>	2.70	1.53	0.13	2.38	1.53	0.12
YAM14 OP	1.13	1.27	0.05	0.85	1.21	0.03
Central Bore UG	0.24	13.05	0.10	0.24	13.05	0.10
Total Gruyere JV 100% Basis	155.81	1.34	6.71	152.91	1.35	6.62

OP = open pit, UG = Underground. For Ore Reserves Notes refer to Table 4

Gruyere Underground Mineral Resource

Subsequent to the 31 December 2020 Gruyere Open Pit Mineral Resource, Gold Road completed an evaluation of mineralisation, estimated to an Inferred level of confidence, below the A\$2,000 per ounce pit optimisation shell. An assessment of the reasonable prospect of eventual economic extraction by underground mining methods was completed in accordance with JORC 2012 guidelines. The underground evaluation considered underground mining methods and costs appropriate to the width and geometry of the mineralisation and was constrained using Mineable Shape Optimiser (MSO).

The MSO evaluation reports an inventory of 36.9 million tonnes at 1.47 g/t Au for a total of 1.74 million ounces from which Gold Road reported our 50% attributable Maiden Underground Inferred Mineral Resource of 18.5 million tonnes at 1.47 g/t Au for a total of 0.87 million ounces of gold (Table 4). The Central Zone of the Mineral Resource incorporates a consistent zone of mineralisation extending below the deepest part of the constraining Mineral Resource pit shell, of approximately 100 to 150 metres width at typical grades of 1.2 to 1.6 g/t Au over a strike of 400 to 600 metres. The higher grade Northern Zone at the northern extremity of the Mineral Resource, comprises a strong north plunging shoot of approximately 200 metres strike at widths of 20 to 60 metres and an average grade of over 2.1 g/t Au.



Gold Road Attributable Mineral Resource Summary

The Gold Road Attributable Mineral Resource comprises 50% of the Gruyere JV Mineral Resources complemented by the Company's 100% owned Mineral Resources on the Yamarna exploration tenements. The Gruyere JV Mineral Resources incorporate all the Open Pit Mineral Resources updated by the JV partners in December 2020, and the Gruyere Underground Mineral Resource evaluated and reported separately by Gold Road in February 2021.

Gold Road's total attributable Mineral Resource has increased by 20% to 99.9 million tonnes at 1.41 g/t Au for 4.53 million ounces. The increase is predominantly due to the inclusion of the Maiden Gruyere Underground Mineral Resource which is entirely Inferred in classification. There are minor increases in the Golden Highway and decreases in the Gruyere Mineral Resources as outlined above. The Yamarna Mineral Resources (Gilmour and Renegade) remain unchanged.



Table 4: Gold Road Attributable Mineral Resource Estimate

Project Name / Category	Gold Road Attributable			Gruyere JV - 100% basis		
	Tonnes Mt	Grade g/t Au	Contained Metal Moz Au	Tonnes Mt	Grade g/t Au	Contained Metal Moz Au
Gruyere JV Mineral Resources						
Gruyere OP Total	67.77	1.31	2.86	135.54	1.31	5.73
Measured	7.95	1.06	0.27	15.90	1.06	0.54
Indicated	55.53	1.35	2.40	111.07	1.35	4.81
Measured and Indicated	63.49	1.31	2.67	126.97	1.31	5.35
Inferred	4.28	1.37	0.19	8.56	1.37	0.38
Golden Highway + YAM14 OP Total	10.02	1.37	0.44	20.03	1.37	0.89
Measured	-	-	-	-	-	-
Indicated	6.83	1.42	0.31	13.66	1.42	0.62
Measured and Indicated	6.83	1.42	0.31	13.66	1.42	0.62
Inferred	3.19	1.28	0.13	6.37	1.28	0.26
Central Bore UG Total	0.12	13.05	0.05	0.24	13.05	0.10
Inferred	0.12	13.05	0.05	0.24	13.05	0.10
Total Gruyere JV	77.90	1.34	3.36	155.81	1.34	6.71
Measured	7.95	1.06	0.27	15.90	1.06	0.54
Indicated	62.36	1.35	2.71	124.73	1.35	5.43
Measured and Indicated	70.32	1.32	2.98	140.63	1.32	5.97
Inferred	7.59	1.52	0.37	15.18	1.52	0.74
Gruyere Underground Mineral Resources						
Gruyere UG Total	18.47	1.47	0.87			
Inferred	18.47	1.47	0.87			
Gold Road Yamarna 100% Mineral Resources						
Renegade OP	0.93	1.30	0.04			
Inferred	0.93	1.30	0.04			
Gilmour OP	1.82	2.21	0.13			
Measured	-	-	-			
Indicated	0.42	5.81	0.08			
Measured and Indicated	0.42	5.81	0.08			
Inferred	1.40	1.13	0.05			
Gilmour UG	0.78	5.13	0.13			
Measured	-	-	-			
Indicated	0.30	4.34	0.04			
Measured and Indicated	0.30	4.34	0.04			
Inferred	0.49	5.62	0.09			
Total Gold Road Yamarna 100% Owned	3.53	2.62	0.30			
Measured	-	-	-			
Indicated	0.72	5.20	0.12			
Measured and Indicated	0.72	5.20	0.12			
Inferred	2.82	1.96	0.18			
Total Gold Road Attributable Mineral Resources						
Total Gold Road Attributable	99.91	1.41	4.53			
Measured	7.95	1.06	0.27			
Indicated	63.08	1.40	2.83			
Measured and Indicated	71.03	1.36	3.10			
Inferred	28.87	1.53	1.42			

OP = open pit, UG = Underground

Notes - Tables 1, 2, 3 and 4

Mineral Resource:

- All Mineral Resources are completed in accordance with the JORC Code 2012 Edition
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding
- Mineral Resources are inclusive of Ore Reserves. Gruyere Measured category includes Surface Stockpiles. Mineral Resources are depleted for mining
- 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 Ltd. Figures are reported on a 100% basis unless otherwise specified, 50% is attributable to Gold Road. Gold Road's 50% attributable Mineral Resource for Gruyere Underground is reported independently of the Gruyere JV
- All Open Pit Mineral Resources are reported at various cut-off grades allowing for processing costs, recovery and haulage to the Gruyere Mill. Gruyere and YAM14 - 0.4 g/t Au. Attila, Orleans, Argos, Montagne and Alaric - 0.5 g/t Au. Gilmour - 0.5 g/t Au. Renegade - 0.5 g/t Au
- All Open Pit Mineral Resources are constrained within a A\$2,000 per ounce or A\$1,850 per ounce optimised pit shell derived from mining, processing and geotechnical parameters from the Golden Highway PFS, the Gruyere FS and current Gruyere JV operational cost data. Gilmour and Renegade at A\$1,850 per ounce gold price
- The Underground Mineral Resource at Gruyere was evaluated by Gold Road in February 2021 based on the same estimation model used to estimate the Open Pit Mineral Resource reported as at 31 December 2020. The model was evaluated exclusively below the A\$2,000 per ounce pit optimisation shell utilised to constrain the Open Pit Mineral Resource and is reported as 100% in the Inferred category
- Underground Mineral Resources at Gruyere are constrained by Mineable Shape Optimiser (MSO) shapes of dimensions consistent with underground mass mining methods. The MSO shapes are optimised at cut-off grades based on benchmarked mining costs, current Gruyere operating costs and processing recoveries at a A\$2,000 per ounce gold price.
- Underground Mineral Resources at Gruyere considered appropriate for potential mass mining exploitation in the Central Zone are constrained within MSO shapes of 25 metre minimum mining width in a transverse orientation and 25 metre sub-level interval, and are optimised to a cut-off grade of 1.0 g/t Au
- Underground Mineral Resources at Gruyere considered appropriate for potential mass mining exploitation in the Northern Zone are constrained within MSO shapes of 5 metre minimum mining width in longitudinal orientation and 25 metre sub-level interval, and are optimised to a cut-off grade of 1.5g/t Au
- Underground Mineral Resources at Central Bore and Gilmour are constrained by 1.5 metre and 2.5 metre minimum stope widths respectively that are optimised to a 3.5 g/t Au cut-off reflective of an A\$1,850 per ounce gold price
- Diluted tonnages and grades are reported based on minimum stope widths

Ore Reserve:

- All Ore Reserves are completed in accordance with the 2012 JORC Code Edition
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding. All dollar amounts are in Australian dollars unless otherwise stated
- Gruyere Proved category includes Surface Stockpiles. Ore Reserves are depleted for mining
- The Gruyere JV is a 50:50 joint venture between Gold Road and Gruyere Mining Company Pty Limited, a wholly owned Australian subsidiary of Gold Fields Ltd. Figures are reported on a 100% basis unless otherwise specified, 50% is attributable to Gold Road
- Gold Road holds an uncapped 1.5% net smelter return royalty on Gold Fields' share of production from the Gruyere JV once total gold production exceeds 2 million ounces
- The pit design for reporting the Gruyere Ore Reserve is essentially unchanged from the 2015 feasibility study and is unchanged from the previous Ore Reserve statement. The Ore Reserve is reported using the 2020 Mineral Resource model constrained within the pit design (which is derived from a A\$1,500 per ounce optimisation) and with Ore Reserves reported at A\$1,750 per ounce gold price
- The Ore Reserve for the Golden Highway Deposits which include Attila, Argos, Montagne and Alaric is constrained within an A\$1,750 per ounce mine design derived from mining, processing and geotechnical parameters as defined by Pre-feasibility and operational studies
- The Ore Reserve is evaluated using variable cut off grades: Gruyere - 0.5 g/t Au (fresh), 0.4 g/t Au (oxide and transition). Attila - 0.6 g/t Au (fresh), 0.5 g/t Au (oxide and transition). Argos - 0.6 g/t Au (fresh and transition), 0.5 g/t Au (oxide). Montagne - 0.6 g/t Au (fresh), 0.5 g/t Au (oxide and transition). Alaric - 0.6 g/t Au (fresh), 0.5 g/t Au (oxide and transition)
- Ore block tonnage dilution and mining recovery estimates: Gruyere - 5% and 98%. Attila - 16% and 96%. Argos - 9% and 88%. Montagne - 9% and 93%. Alaric - 21% and 94%

Competent Persons Statements

Exploration Results

The information in this report which relates to Exploration Results is based on information compiled by Mr Justin Osborne, Executive Director- Discovery 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 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 Mark Roux. Mr Roux is an employee of Gold Fields Australia, is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM 324099) and is registered as a Professional Natural Scientist (400136/09) with the South African Council for Natural Scientific Professions. Mr Justin Osborne, Executive Director-Discovery and Growth for Gold Road and Mr John Donaldson, Principal Resource Geologist for Gold Road have endorsed the Mineral Resource for Gruyere on behalf of 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 Performance Rights.
- Mr 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.

The information in this report that relates to the Mineral Resource estimation for Gruyere Underground is based on information compiled by Mr John Donaldson, Principal Resource Geologist for Gold Road, Mr Justin Osborne, Executive Director-Discovery and Growth for Gold Road and Mr Steven Hulme, Principal-Corporate Development for Gold Road.

- Mr Hulme is an employee of Gold Road and is a Member and a Chartered Professional of the Australasian Institute of Mining and Metallurgy (MAusIMM CP 220946). Mr Hulme is a shareholder and a holder of Performance Rights.

The information in this report that relates to the Mineral Resource estimation for Attila, Orleans, Argos, Montagne, Alaric, YAM14, Central Bore, Gilmour and Renegade is based on information compiled by Mr Justin Osborne, Executive Director-Discovery and Growth for Gold Road, Mr John Donaldson, Principal Resource Geologist for Gold Road and Mrs Jane Levett, previously employed by Gold Road now independent consultant (Little Beach Consulting).

- Mrs Levett is a Member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (MAusIMM CP 112232).

Messrs Roux, 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 Roux, 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.

Ore Reserves

The information in this report that relates to the Ore Reserve estimation for Gruyere is based on information compiled by Mr Hamish Guthrie. Mr Guthrie is an employee of Gold Fields Australia and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM 210899). Mr Steven Hulme, Principal-Corporate Development for Gold Road has endorsed the Ore Reserve estimation for Gruyere on behalf of Gold Road.

- Mr Hulme is an employee of Gold Road and is a Member and a Chartered Professional of the Australasian Institute of Mining and Metallurgy (MAusIMM CP 220946). Mr Hulme is a shareholder and a holder of Performance Rights.

The information in this report that relates to the Ore Reserve estimation for Attila, Argos, Montagne and Alaric, is based on information compiled by Mr Steven Hulme, Principal-Corporate Development for Gold Road.

Messrs Guthrie and Hulme have 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'. Messrs Guthrie and Hulme consent to the inclusion in this announcement of the matters based on this 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.

Tenement Schedule

As at 22 February 2021

Yamarna

(Gold Road 100% owned)

Number	Number	Number
E38/1083	E38/2531	E38/3248
E38/1388	E38/2735	E38/3262
E38/1858	E38/2766	E38/3266
E38/1931	E38/2794	E38/3267
E38/2178	E38/2797	E38/3268
E38/2235	E38/2798	E38/3269*
E38/2249	E38/2836	E38/3275
E38/2250	E38/2913	E38/3276
E38/2291	E38/2917	E38/3284
E38/2292	E38/2931	E38/3285
E38/2293	E38/2932	E38/3287
E38/2294	E38/2944	E38/3334
E38/2319	E38/2964	E38/3410
E38/2325	E38/2965	E38/3411
E38/2326	E38/2967	
E38/2355	E38/2968	L38/236
E38/2356	E38/2987	
E38/2362	E38/3041	P38/4193
E38/2363	E38/3104	P38/4194
E38/2415	E38/3105	P38/4196
E38/2446	E38/3106	P38/4197
E38/2447	E38/3207	P38/4198
E38/2507	E38/3221	P38/4399
E38/2513	E38/3222	P38/4400
E38/2529	E38/3223	P38/4487
		P38/4488

* Tenement pending grant

Gruyere JV

(Gold Road 50% interest, Gold Fields Ltd 50% interest)

Number	Number	Number
E38/1964	L38/253	
	L38/254	L38/285
M38/435	L38/255	L38/286
M38/436	L38/256	L38/293
M38/437	L38/259	L38/294
M38/438	L38/260	L38/295
M38/439	L38/266	L38/296
M38/788	L38/267	L38/297
M38/814	L38/268	L38/298
M38/841	L38/269	L38/299
M38/1178	L38/270	L38/300
M38/1179	L38/271	L38/301
M38/1255	L38/272	L38/302
M38/1267	L38/273	L38/303
M38/1279*	L38/274	L38/304
	L38/275	L38/305
L38/186	L38/276	L38/306
L38/210	L38/278	L38/307
L38/227	L38/279	L38/309
L38/230	L38/280	L38/310
L38/235	L38/281	L38/311
L38/250	L38/282	
L38/251	L38/283	P38/4401
L38/252	L38/284	P38/4478

* Tenement pending grant

Yandina JV

(Gold Road 89.9% interest, Cygnus Gold 10.1% interest)

Number
E70/5098
E70/5099
E70/5100
E70/5101
E70/5230
E70/5231
E70/5232

Lake Grace JV

(Gold Road 87.2% interest, Cygnus Gold 12.8% interest)

Number
E70/4853
E70/4855
E70/4991
E70/5017
E70/5188
E70/5320
E70/5251*

* Tenement pending grant

Gruyere Process
Plant



Financial Report

Directors' Report

The Directors present their report on Gold Road for the year ended 31 December 2020.

Directors

The names and details of the Directors of Gold Road during the year and until the date of this report, unless otherwise indicated, are:

Timothy Netscher	Non-executive Chairman
Duncan Gibbs	Managing Director and CEO
Justin Osborne	Executive Director - Discovery and Growth
Sharon Warburton	Non-executive Director
Brian Levet	Non-executive Director
Maree Arnason	Non-executive Director (appointed 15 June 2020)

TIMOTHY NETSCHER

Non-executive Chairman

Mr Netscher was appointed on 1 September 2014 as Non-executive Director and as Non-Executive Chairman on 1 July 2016.

Mr Netscher has significant broad-based experience working as a senior executive and company director in the international mining industry. He has had a distinguished career holding senior executive roles with Gindalbie Metals Limited, Newmont Mining, Vale Australia, Pt Inco, BHP Billiton and Impala Platinum, giving him extensive operational, sustainability management, project development and business development experience.

Mr Netscher is a highly experienced public company director and holds a Bachelor of Science - Chemical Engineering, a Bachelor of Commerce and an MBA. He is a Fellow of the Institution of Chemical Engineers, a Fellow of the Australian Institute of Company Directors (FAICD) and a Chartered Engineer.

Committee memberships:

Audit Committee (Member)
 Risk & ESG Committee (Member)
 Remuneration Committee (Member)
 Nomination Committee (Member)

Other Current Directorships:

Non-executive Chairman St Barbara Limited

- Audit & Risk Committee (Member)
- Health, Safety, Environment & Community Committee (Member)
- Remuneration & Nomination Committee (Member)
- Business Development & Growth Committee (Member)

Non-executive Director Western Areas Limited

- Remuneration Committee (Chair)
- Audit & Risk Committee (Member)

Former Directorships (in last 3 years): None

DUNCAN GIBBS

Managing Director and CEO

Mr Gibbs was appointed on 17 September 2018 as Managing Director and Chief Executive Officer (CEO).

Mr Gibbs joined Gold Road with over 30 years senior and executive positions with AngloGold Ashanti, Acacia and Shell-Billiton. Mr Gibbs was instrumental in leading the exploration, discovery, and development of the >8Moz Tropicana gold mine and was the inaugural General Manager. Mr Gibbs was General Manager at Sunrise Dam, one of the largest underground gold mines in Australia. As AngloGold's Exploration Manager for Australasia Mr Gibbs managed exploration teams across Australia, China, Mongolia and joint ventures in south-east Asia.

Mr Gibbs has extensive experience in operational management, project studies and construction, HSE management, community engagement, risk and compliance, gold exploration, mine geology, and technical IT.

Mr Gibbs is a Member of the Australasian Institute of Mining and Metallurgy, Graduate of the Australian Institute of Company Directors, and holds a Bachelor of Science, Honours (First Class) in Geology from James Cook University. Mr Gibbs is a dual national with Australian and British citizenship.

Committee memberships: Growth & Development Committee (Member)

Other Current Directorships: None

Former Directorships (in last 3 years): None

JUSTIN OSBORNE

Executive Director - Discovery and Growth

Mr Osborne joined the Company in October 2013 and was appointed Executive Director - Discovery and Growth on 1 January 2015.

Mr Osborne brings to Gold Road a wealth of resource sector experience in multiple commodities including gold, copper and base metals. He has over 30 years in geological and corporate management covering all aspects of the mining and exploration process in Australia and internationally through senior positions held with Gold Fields Ltd and WMC Resources Ltd. Mr Osborne played a pivotal role in the rapid and effective development of the world class Gruyere Gold Mine, leading the discovery and exploration effort, investor relations activities, and as a member of the Project Steering Committee and Gruyere Joint Venture Management Committee from start-up.

Mr Osborne held previous senior roles on the Growth & Projects executive team of Gold Fields Ltd, including Vice President Development Strategy - Growth and International Projects; General Manager Near Mine Exploration covering all international mining operations in Australia, Ghana and Peru; Exploration Manager for Australia; and Project Manager Arctic Platinum in Finland.

As a Director of Gold Road for over 6 years Mr Osborne has seen the Company transition from Junior Explorer to ASX200 mid-tier gold producer and was an inaugural member of the Investment (Growth and Development) Committee.

He is a Fellow of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Company Directors, a Member of the Society of Economic Geologists, and holds a Bachelor of Science, Honours (First Class) from La Trobe University of Victoria.

Committee memberships: None

Other Current Directorships: Non-executive Director Matador Mining Ltd (ASX MZZ)

Former Directorships (in last 3 years): None

SHARON WARBURTON

Non-executive Director

Ms Warburton was appointed on 9 May 2016 as Non-executive Director.

Ms Warburton has extensive experience in the mining, infrastructure and construction sectors. She gained substantial operational, commercial and risk management experience in the global resources sector through her time as an executive at Rio Tinto and as a Non-executive Director of Fortescue Metals Group Limited (ASX:FMG). She has also previously held senior executive positions at Brookfield Multiplex, ALDAR Properties PJSC, Multiplex, and Citigroup.

In recognition of her experience, she was awarded Western Australian Telstra Business Woman of the Year in 2014 and was a finalist in 2015 for The Financial Review's Westpac 100 Women of Influence.

She is on the board of the Karlka Niyaparli Aboriginal Corporation RNTBC and also the not-for-profit organisation Perth Children's Hospital Foundation. She was the inaugural Chairperson of the Northern Australia Infrastructure Facility and a former Non-executive Director of Fortescue Metals Group Limited, NEXTDC Limited and Western Power.

Ms Warburton is regarded as a financial, governance and remuneration expert and is a Fellow of the Institute of Chartered Accountants Australia and New Zealand and Australian Institute of Building. She is also a Fellow of the Australian Institute of Company Directors, a member of Chief Executive Women and a part-time member of the Australian Takeovers Panel.

She holds a Bachelor of Business (Accounting and Business Law) from Curtin University.

Committee memberships:	Audit Committee (Chair) Risk and ESG Committee (Member) Remuneration Committee (Member) Nomination Committee (Member)
Other Current Directorships:	Non-executive Director Wesfarmers Limited <ul style="list-style-type: none"> ▪ Audit & Risk Committee (Chair) ▪ Nominations Committee (Member) Non-executive Director Worley Limited <ul style="list-style-type: none"> ▪ Audit & Risk Committee (Member) ▪ Nominations Committee (Member)
Former Directorships (in last 3 years):	Co Deputy Chairperson and Non-executive Director Fortescue Metals Group Limited (resigned 31 March 2020) Non-executive Director of NEXTDC Limited (resigned 31 March 2020)

BRIAN LEVET

Non-executive Director

Mr Levet was appointed on 1 August 2017 as Non-executive Director.

Mr Levet has worked for Rio Tinto Rhodesia, Zimbabwe Iron and Steel Corporation and Newmont Mining Corporation in exploration, project start-up and operational roles. Mr Levet retired from Newmont Mining Corporation in 2011 as Group Executive for Exploration.

Mr Levet holds a Bachelor of Science in Geology from the University of London, is a Member of the Australasian Institute of Mining and Metallurgy, and brings over 45 years of diversified mineral industry experience to the Company.

Committee memberships:	Remuneration Committee (Chair) Nomination Committee (Chair) Growth and Development Committee (Chair)
Other Current Directorships:	Non-executive Director EMX Royalty Corporation (TSX-V) (NYSE) <ul style="list-style-type: none"> ▪ Compensation Committee (Chair) ▪ Audit Committee (Member)
Former Directorships (in last 3 years):	None

MAREE ARNASON

Non-executive Director

Ms Arnason was appointed on 15 June 2020 as Non-executive Director.

Ms Arnason is an experienced director and senior executive whose career has spanned 30 years in the natural resources, energy and manufacturing sectors with companies including BHP Billiton, Carter Holt Harvey, Svenska Cellulosa AB (SCA) and Wesfarmers.

Ms Arnason serves on the Australian Securities and Investment Commission (ASIC) Corporate Governance Consultative Panel, is an elected Australian Institute of Company Directors (AICD) WA Division Councillor, is Chair of Juniper, one of WA's largest aged care community benefit organisations and is a life member and past National Director of the Australian China Business Council.

As a Co-Founder/Director of Energy Access Services, who operate an independent Western Australian (WA) focused digital trading platform for wholesale gas buyers and sellers, Ms Arnason has experience in the start-up, commercialisation and innovation space and was recognised as one of the Top 100 Global Inspirational Women in Mining in 2018.

In her executive career, she was a member of divisional leadership teams for several large ASX-listed companies with businesses and services located globally and has worked across various commodities including copper/gold, iron ore, timber, coal, mineral sands and natural gas including both surface and underground mining.

She holds a Bachelor of Arts from Deakin University and is a Fellow of the Australian Institute of Company Directors (FAICD).

Committee memberships: Risk and ESG Committee (Chair)
Audit Committee (Member)
Growth & Development Committee (Member)

Other Current Directorships: None

Former Directorships (in last 3 years): Non-executive Director of Sandfire Resources Limited
(resigned 30 June 2020)
Non-executive Director of MZI Resources Limited
(resigned 29 March 2019)

CAROL MARINKOVICH

Former Joint Company Secretary (resigned on 15 June 2020)

Mrs Marinkovich was appointed Company Secretary on 16 May 2017 and resigned on 15 June 2020.

Mrs Marinkovich has over 25 years' experience in the mining industry. She has extensive experience in Company Secretary and Corporate Governance Practices both within Australia and internationally, including Sundance Resources Ltd in Western Australia and has worked for other junior mining companies, both listed and unlisted.

Mrs Marinkovich is a Member of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators.

HAYDEN BARTROP

Company Secretary

Mr Bartrop is a lawyer with more than 15 years' experience in the gold industry in legal, commercial and business development roles. He joined Gold Road in March 2016 and was appointed joint Company Secretary on 31 May 2017 and sole Company Secretary from 16 June 2020⁹.

Mr Bartrop's role as General Manager - Corporate Development and Legal is responsible for the company secretarial and legal functions and identifying corporate development opportunities for the future growth of the Company. Mr Bartrop played a pivotal role in the establishment of the Gruyere Project Joint Venture and sits on the Management Committee.

Mr Bartrop was Director of Legal and Business Development at Barrick Gold Corporation, he also held several other roles in the Australia Pacific region with Barrick Gold Corporation, including Manager of Growth and Business Development and Legal Counsel.

Mr Bartrop holds an MBA (High Distinction), Bachelor of Law and Bachelor of Commerce (Finance and Banking).

⁹ Ms Carol Marinkovich resigned as joint Company Secretary on 15 June 2020. From 16 June 2020, Mr Bartrop was sole Company Secretary.

Directors' and Executives' Interests

As at the date of this report, the Directors' interests in shares, and Performance Rights of the Company are as follows:

Directors	Interests in Ordinary Shares	Interests in Performance Rights
D Gibbs	488,537	1,507,242
J Osborne	3,198,424	1,015,319
T Netscher	783,000	-
S Warburton	98,000	-
B Levet	240,000	-
M Arnason	20,500	-

Directors' Meetings

The number of meetings of the Company's Directors (including meetings of Committees of Directors) held during the year ended 31 December 2020 and the number of meetings attended by each Director were:

Director	Board of Directors' Meetings		Audit & Risk / Audit Committee Meetings ³		Remuneration & Nomination / Remuneration Committee Meetings ⁵		Risk & ESG Committee Meetings ⁴		Investment / Growth & Development Committee ⁶	
	Meetings Held ²	Meetings Attended	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended
	T Netscher	14	14	4	4	4	4	2	2	-
D Gibbs	14	14	-	-	-	-	-	-	5	5
J Osborne	14	14	-	-	-	-	-	-	3	3
S Warburton	14	14	4	4	4	4	2	2	-	-
B Levet	14	14	2	2	4	4	-	-	5	5
M Arnason ¹	7	7	2	2	-	-	2	2	2	2

Current Chair	Current Member	Prior Member
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- ¹ Ms Arnason was appointed to the Board of Directors on 15 June 2020.
- ² Number of meetings held during the time the Director held office or was a member of the committee and was eligible to attend. All Directors are entitled to and generally attend meetings of the Board Committees.
- ³ The Audit & Risk Committee was disbanded and the Audit Committee formed in July 2020. The Audit Committee retained responsibility for oversight of financial risks. The first meeting of the Audit Committee was conducted in September 2020.
- ⁴ The Risk & ESG Committee was established in July 2020. The first meeting of the Risk & ESG Committee was conducted in September 2020.
- ⁵ In August 2020, the Remuneration and Nomination Committee was separated into two Committees. The first meeting of the Remuneration Committee was conducted in September 2020. The first meeting of the Nomination Committee was conducted in January 2021.
- ⁶ The Investment Committee was renamed Growth & Development Committee to better reflect the focus of the Committee. The first meeting of the Growth & Development Committee was conducted in September 2020.

Nature of Operations and Principal Activities

The principal activities of the Group were mine operations through a non-operated joint venture¹⁰, sale of gold and mineral exploration.

Operating and Financial Overview

The overview of the Group's operations, including a discussion on production and exploration activities are contained on pages 16 to 25 of this Annual Report.

Profit or Loss

The Group achieved a record statutory net profit after tax of \$80.8 million (2019: loss \$4.7 million), with the Gruyere JV operation achieving its first full year of production following the attainment of commercial levels of production (CLP) on 1 October 2019.

Gold sales revenue of \$294.7 million (2019: \$75.4 million) was generated from the sale of 126,434 ounces (2019: 37,104 ounces) at an average gold price of \$2,330 per ounce (2019: \$2,033 per ounce). At 31 December 2020, the Group's hedge book totalled 73,080 ounces at an average price of \$1,857 per ounce with monthly deliveries through to November 2022.

¹⁰ Gold Fields is manager of the Gruyere JV and for 2020 delegated responsibility for managing all exploration activities to Gold Road.

Total cost of goods sold inclusive of amortisation and depreciation was \$156.0 million (2019: \$40.5 million), producing a gross profit from operations of \$138.7 million (2019: \$34.9 million). The increase in revenue and costs compared to the prior year reflects the first full year of production.

Exploration costs expensed and written off during the year were \$24.7 million (2019: \$17.6 million).

Corporate and technical service costs for the year totalled \$12.9 million (2019: \$11.0 million), which included expenses related to the corporate office, compliance and operational support.

Finance income of \$0.5 million (2019: \$0.8 million) relates to interest earned on cash at bank and on deposit. Finance expenses of \$8.0 million (2019: \$3.6 million) principally relates to interest charged on borrowings and leases. The increase in finance expenditure is largely the result of lease interest being expensed since achieving pre-commercial levels of production.

The income tax expense recognised for the year was \$32.7 million (2019: \$0.6 million benefit). The Group recorded a current income tax liability (after utilising prior year losses) relating to the income tax year ending 31 December 2020 of \$7.3 million (2019: nil).

Reconciliation of consolidated net profit after tax to EBITDA

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Consolidated net profit/(loss) after tax	80,818	(4,655)
Finance income	(480)	(845)
Finance expenses	7,984	3,553
Income tax expense/(benefit)	32,652	(560)
Depreciation and amortisation	49,596	12,272
EBITDA	170,570	(9,765)

Financial Position

The net assets of the Group increased by \$83.3 million during the year. As at 31 December 2020 the Group had:

- Cash and cash equivalents of \$126.4 million (2019: \$101.3 million). The increase in cash is attributable to a full year of production and associated benefit of the higher gold price environment.
- Inventories of \$23.4 million (2019: \$18.3 million) increased as a result of an increase in doré on hand and warehouse consumables.
- Property, plant and equipment of \$333.9 million (2019: \$330.6 million) increased as a result of expenditure on mine development associated with the tailings storage facility and deferred waste, partially offset by depreciation and amortisation expense of \$38.6 million.
- Right-of-use assets of \$117.4 million (2019: \$125.6 million) decreased as a result of depreciation expense.
- Borrowings of Nil (2019: \$78.5 million) decreased as a result of strong cash generation allowing for the full repayment of the loan facilities.
- Lease liabilities of \$116.0 million (2019: \$121.9 million) decreased reflecting lease repayments.

Cash Flows

Cash and cash equivalents increased during the year by \$25.1 million to \$126.4 million as at 31 December 2020 (2019: \$101.3 million).

Net cash inflow from operating activities for the year was \$142.7 million (2019: \$34.0 million). The increase reflects the first full year of gold sales and production costs from the Gruyere JV operation.

Net cash outflow used in investing activities amounted to \$27.0 million (2019: \$46.3 million). During the year there was an increase in payments for property, plant and equipment (including mine development), which was partially offset by an increase in net proceeds from the purchase and subsequent sale of investments in listed securities.

Net cash outflow from financing activities totalled \$90.7 million (2019: inflow \$69.7 million) which included draw down on borrowings of \$50.0 million (2019: \$77.4 million), repayment of borrowings of \$130.4 million (2019: Nil) and lease repayments of \$8.8 million (2019: \$7.7 million).

Dividends

No dividend was paid during the financial year. Subsequent to 31 December 2020, on 9 March 2021 the Directors determined to pay a dividend of 1.5 cents per fully paid ordinary share fully franked, for an amount of \$13.20 million. The aggregate amount of the proposed dividend is expected to be paid on 14 April 2021 out of retained earnings at 31 December 2020 and has not been recognised as a liability at the end of the year.

COVID-19 response

The Company wishes to thank all Gold Road and Gruyere employees, contractors and suppliers for their diligence and excellent performance through the global COVID-19 crisis.

Gruyere and Gold Road management were proactive in responding to and adopting the COVID-19 Framework protocols agreed between the mining industry and Western Australian Government at the outset of the pandemic.

As a result of this, to date there have been no material production impacts from the COVID-19 crisis. However, implementation of health screening of personnel, modifying shift and roster arrangements, increased and enhanced cleaning, sanitation and hygiene measures as well as altered work practices to ensure social distancing, resulted in a minor financial cost increase to Gruyere and Gold Road.

The risks of further waves of community transmission and disruption to global supply chains remains and could evolve quite rapidly. Gold Road remains in a strong financial position and is actively managing gold hedge delivery commitments.

Gold Road received \$100,000 from the Australian Federal Government as part of the PAYG Cash Flow Boost scheme and utilised these funds to employ additional personnel. Gold Road did not take part in the Australian Federal Government's JobKeeper programme.

Performance Rights Over Unissued Capital

At the date of this report, there are 5,711,503 (20 March 2020: 5,480,903) unvested or unexercised Performance Rights to acquire ordinary shares as follows:

Outstanding ¹	Performance Period End Date ²
218,865	31 December 2020
298,480	31 December 2020
438,545	31 December 2020
425,101	1 July 2021
2,127,961	31 December 2021
2,202,551	31 December 2022
5,711,503	Total Performance Rights outstanding

¹ None of the Performance Rights on issue entitles the holder to participate in any share issue of the Company or any other body corporate

² Subsequent to the performance period end date, the Board determines the number of Performance Rights that vest

Since 31 December 2020 to the date of this report, 438,545 Performance Rights have been granted, 2,507,949 Performance Rights have vested, nil Performance Rights have been exercised, 1,034,698 Performance Rights have been forfeited and 517,361 Performance Rights have been cancelled.

The following changes in Performance Rights occurred during the year:

	12 months ended 31 December 2020	12 months ended 31 December 2019
Granted	2,828,006	3,117,585
Exercised	1,022,899	1,403,575
Cancelled	-	893,153
Forfeited	199,127	1,619,171

Significant Events after the Balance Date

Subsequent to the year ended 31 December 2020:

On 9 March 2021 the Directors determined to pay a dividend of 1.5 cents per fully paid ordinary share, fully franked, for an amount of \$13.20 million. The aggregate amount of the proposed dividend is expected to be paid on 14 April 2021 out of retained earnings at 31 December 2020 and has not been recognised as a liability at the end of the year.

Other than as noted above, there has not arisen in the interval between the end of the year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Likely Developments and Expected Results of Operations

There are no likely developments of which the Directors are aware which could be expected to significantly affect the results of the Group's operations in subsequent financial years not otherwise disclosed in the Nature of Operations and Principal Activities, Operating and Financial Overview or the Significant Events after the Balance Date sections of the Directors' Report.

Environmental Regulation and Performance

The joint venture mining operations and exploration activities of the Company in Australia are subject to environmental regulations under both Commonwealth and State Legislation. Many activities are regulated by environmental laws, as they may have the potential to cause harm or otherwise impact upon the environment. Through the implementation of an Environmental Management System, Gold Road is able to continually minimise any adverse environmental risks that may be associated with its business activities. So far as the Directors are aware, all joint venture mining operations and exploration activities are being undertaken in compliance with all relevant environmental regulations.

Remuneration Report (Audited)

From the Remuneration Committee Chair.

On behalf of the Directors of Gold Road, I am pleased to present the Remuneration Report for the year ended 31 December 2020.

Our Remuneration Report is designed to provide you, our shareholders, with information on the Remuneration Committee (the **Committee**) activities undertaken during the year, details of remuneration paid to Key Management Personnel (**KMP**) in the year and demonstrate how reward outcomes link to Company strategy, performance and value to shareholders.

Brian Levet

Remuneration Committee Chair

Remuneration Report Contents

This report covers the following key sections:

- Remuneration Committee
- Summary of Remuneration Activities
- Key Management Personnel
- Remuneration Principles
- Remuneration Structure - Non-executive Directors
- Remuneration Structure - Executive KMPs
- Service Agreements
- Details of Remuneration
- Share-based Compensation
- Analysis of Performance Rights Over Equity Instruments Granted as Compensation

Remuneration Committee

The Committee is made up of the following independent Non-executive Directors:

Brian Levet	Chair
Timothy Netscher	Member
Sharon Warburton	Member

No member is able to deliberate or consider any matter in respect of their own remuneration. The Committee reviews and determines remuneration policy, principles and structure annually and has adopted a formal Charter, which provides a framework for the consideration of remuneration matters, recognising the need to attract, review and retain high calibre individuals.

The process includes a review of the Company and individual performances in line with strategic objectives, an intent to identify and correct any pay gap issues and gender bias, broad market remuneration data, and relevant comparative Company and peer remuneration.

Remuneration recommendations for non-KMPs are delegated to the Managing Director. The process includes a review within the parameters of Board approved Company-wide remuneration principles, approved remuneration levels, job performance, demonstrated behaviours aligned to the Company values and core competencies, and gender bias and/or pay gap principles.

In accordance with the Committee's charter, where a remuneration consultant is appointed in relation to remuneration of KMPs, the Committee directly engages and receives the reports of the consultant. In accordance with internal remuneration processes, external reviews of remuneration are conducted biannually, with the last one being conducted in May 2019. Accordingly, there were no external remuneration consultants engaged in 2020.

Summary of Remuneration Activities

The following tables summarise the incentive plans to Executive KMPs.

Short Term Incentives (STI) Performance Period





2019	2020	2021
STI 2019		
	STI 2020	
		STI 2021

Long Term Incentives (LTI) Performance Period

2016	2017	2018	2019	2020	2021	2022	2023
	LTI 2016 - 2019						
	LTI 2017 - 2020 ¹						
		LTI 2018 - 2020					
			LTI 2019 - 2021				
				LTI 2020 - 2022			
					LTI 2021 - 2023		

¹ The 2017-2020 LTI had a performance period of 3.5 years

Status at the date of this report

	Vested and Exercised		Vested and unexercised		Issued and subject to vesting conditions		Subject to shareholder approval
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Gold Road changed its financial reporting period from financial year to calendar year in 2017. The LTI 2016 - 2019 for the July 2016 to June 2019 performance period vested and exercised during 2019. From 2018 onwards, LTI performance periods are based on a calendar year.

New performance hurdles and criteria, appropriately based on Gold Road's 2020 strategic objectives and operational goals, were established for the STI 2020, which covers the 12 months to 31 December 2020. The STI 2020 and LTI 2020-2022 performance hurdles and criteria were endorsed by the Board and shareholder approval was obtained at the AGM held on 28 May 2020.

In January 2021 the Board assessed the STI 2020 performance and achievement, with 67% of the maximum entitlement being achieved for the Company performance hurdles, reflecting the successful delivery against Exploration efficiency and effectiveness metrics, corporate development and investment, partial delivery of Gruyere budget metrics and enhancing Environmental, Social and Governance (ESG) capability with the Company's inaugural Sustainability Report on track for delivery, commissioning of the Yamarna renewable energy project and progress towards adoption of renewable energy at Gruyere.

As a result of the Company changing its financial reporting period in 2018, there were two LTI plans that concluded on 31 December 2020. In January 2021, the Board assessed the LTI 2017-2020 (being measured over a 3.5 year performance period) and the LTI 2018-2020 (being measured over a 3 year performance period) performance and achievement and awarded partial achievement to both LTI plans. The strategic performance hurdles for both the LTI 2017-2020 and LTI 2018-2020 were not achieved. The Relative Total Shareholder Return (Relative TSR) performance hurdle achieved was 50% for each LTI plan. Consequently, a total of 188,774 LTI Performance Rights vested (total vesting value \$76,328) for one qualifying KMP.

The maximum of the Non-executive Director's remuneration pool remained at \$700,000 per annum. Total remuneration paid to Non-executive Directors for the year was within this maximum. An economic increase (CPI) of 2.75% in Non-executive Directors' fees was effective from 1 January 2020. There were no other increases to individual Non-executive Director fees during the year ended 31 December 2020.

Key Management Personnel

KMPs have authority and responsibility for planning, directing and controlling the activities of the Company. KMPs comprise only the Directors of the Company.

Independent Directors and Executive KMPs disclosed in this report include:

Independent Directors	Role
T Netscher	Non-executive Chairman
S Warburton	Non-executive Director
B Levet	Non-executive Director
M Arnason	Non-executive Director (appointed 15 June 2020)

Executive KMPs	Role
D Gibbs	Managing Director and CEO
J Osborne	Executive Director - Discovery and Growth

Remuneration Principles

The principles of Gold Road's remuneration structure are focused on motivating and rewarding individuals and teams for sustainable delivery of shareholder value.

The objective of the Company's Executive KMP reward framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework aligns both Executive KMP and non-KMP reward with the achievement of strategic objectives and the creation of value for shareholders.

The remuneration framework provides a mix of fixed base and variable remuneration, which incorporates a blend of short and long-term incentives.

Remuneration Structure - Non-executive Directors

The Company's policy is to remunerate Non-executive Directors, at rates comparable to other ASX listed companies in the same industry, for their time, commitment and responsibilities. The Chairperson fees have been determined independently to the fees of Non-executive Directors and based on comparatively sized ASX listed companies. An economic increase (CPI) of 2.75% in Non-executive Directors' fees was effective from 1 January 2020. There were no other increases to Non-executive Directors' fees during the year ended 31 December 2020.

With effect from 1 January 2021, an increase for Non-executive Director fees was approved by the Board, based on benchmarking against the peer group, which involved an increase to the Chairperson's base fees and the introduction of Committee chair and member fees. The Chairperson receives one all-inclusive fee so is deemed ineligible for additional Committee fees. There was no increase to the base fees for Non-executive Directors (excluding the Chairperson). The increase remains within the shareholder approved Non-executive Director's remuneration pool of \$700,000 (inclusive of superannuation) per annum (approved at the AGM on 17 November 2017). Non-executive Directors' fees will continue to be benchmarked on an annual basis.

The following table outlines the base annual remuneration payable to Non-executive Directors, inclusive of superannuation.

Role	From 1 January 2021	Year ended 31 December 2020
Non-executive Chairman	\$190,000	\$162,345
Non-executive Director	\$102,750 ¹	\$102,750

¹ In addition to base remuneration, the Committee Non-executive Chairperson receives a fee of \$15,000 per committee (except for Nomination Committee) and Non-executive Committee members receive a fee of \$7,500 per committee per annum. Chair and members of the Nomination Committee did not qualify for committee fees.

Remuneration Structure - Executive KMPs

Executive KMPs total remuneration is made up of:

- Fixed base remuneration comprising cash and non-monetary benefits, including superannuation; and
- Variable remuneration comprising STIs and LTIs through participation in the Gold Road Resources Limited Employee Incentive Plan (the **Plan**).

Gold Road's remuneration objectives effectively align the interests of its Executive KMPs with the interests of the Company and its shareholders.

This has been achieved by ensuring that a significant proportion of Executive's remuneration is 'at risk' in the form of STI and LTI components. STI awards are linked to the value drivers of Gruyere, discovery and growth through targeted exploration, corporate and business development and key enabling drivers of ESG. LTI awards are linked to both strategic milestones and shareholder returns.

The following table summarises the remuneration structure of Executive KMPs for the year ended 31 December 2020.

	Fixed Base Remuneration	Superannuation	Total Fixed Remuneration ¹	Target STI % of base salary	STI maximum % of base salary	Target LTI % of base salary	LTI maximum % of base salary
D Gibbs	\$518,997	\$21,348	\$540,345	65%	74.8% ²	100%	141.3%
J Osborne	\$406,600	\$21,348	\$427,948	42.5%	48.9% ³	65%	91.8%

1 Total fixed remuneration comprises annual salary and superannuation

2 This figure includes provision for a 115% stretch of target STI (stretch 74.8% of base salary)

3 This figure includes provision for a 115% stretch of target STI (stretch 48.9% of base salary)

Fixed Base Remuneration

Fixed base remuneration for Executive KMPs is reviewed annually, with any changes approved by the Board. There are no guaranteed fixed base remuneration increases included in the Executive KMPs contracts. The base salary for the Managing Director and CEO was increased to \$518,997 effective from 1 January 2020. There were no other changes made to Executive KMP fixed remuneration during the 2020 year.

Superannuation benefits are paid to complying superannuation funds nominated by the Executive KMPs capped at the maximum superannuation contribution base of ordinary time earnings, which for the tax year ending 30 June 2021 is \$21,694.

Variable Remuneration

Variable remuneration is structured as a combination of cash and Performance Rights as follows:

STIs ¹	LTI
Cash (50%)	Cash (nil)
Performance Rights (50%)	Performance Rights (100%)

1 The Board has absolute discretion to pay STIs in a combination of 50% cash and 50% Performance Rights (or any other combination the Board approves).

Executive KMPs' variable remuneration is calculated based on an assessment of performance against KPIs for both the Company and the individual. The actual KPIs, weightings and priorities are approved annually by the Board to ensure that they remain relevant and appropriate to the individuals and the Company.

Short Term Incentives

The Committee is responsible for recommending to the Board the STI to be paid based on an assessment of whether KPIs have been met and pro-rated for time in the role.

The payment of STIs is within the Board's absolute discretion and paid in a combination of 50% cash and 50% Performance Rights (or any other combination the Board approves). The Board can decide to not pay, or to reduce, the STI in the event that market conditions and commodity prices have deteriorated or key corporate objectives in the period have not been met. There is an ESG gateway on the STIs that in the event of a catastrophic licence to operate event(s) the Board may impair partial or entire STIs for some or all participants. If there is a change of control, the Board, in its absolute discretion, may determine whether incentives will vest, up to the maximum amount.

For incentive plans commencing in 2020 or later, the Board instituted claw back rights for vested Shares or incentive payments made in the event of serious misconduct, a material misstatement in the Group's financial statements or a material adverse effect on the reputation of the Company.

Short Term Incentive 2020

The STI 2020 was based over a 12 month period to 31 December 2020 on set percentages of fixed base remuneration, with performance assessed against a mix of Company strategic and personal hurdles as follows:

Executive KMP Incentive Structure ¹	D Gibbs	J Osborne
Target STI as a percentage of base salary	65%	42.5%
Maximum STI as a percentage of base salary	74.8% ²	48.9% ³
Target Aligned to Company strategic hurdles	90%	90%
Target Aligned to Personal hurdles	10%	10%
Target STI 2020	\$387,951	\$198,726
50% Cash Component	\$193,975	\$99,363
50% Granted Performance Rights (Number)	167,944	86,028
Achieved Result STI 2020		
Company strategic hurdles ⁴	67%	67%
Personal hurdles	85%	80%
Total weighted result	69%	68%
STI earned as a percentage of fixed base remuneration	52%	33%
Paid as Cash	\$133,667	\$67,973
Vested Performance Rights (Number)	115,729	58,851

¹ STI performance hurdles and criteria approved at the AGM held on 28 May 2020

² This figure includes provision for a 115% stretch of Target STI (stretch 74.8% of base salary)

³ This figure includes provision for a 115% stretch of Target STI (stretch 48.9% of base salary)

⁴ Company strategic hurdles are assessed against the maximum available STI opportunity (including stretch)

The maximum number of Performance Rights to be granted is determined by dividing 50% of the STI that may be earned by \$1.155, being the 30 day Volume Weighted Average Price (VWAP) for the period to 1 January 2020.

The following performance hurdles and criteria, with appropriate personal weightings, were endorsed by the Board and shareholder approval was obtained at the AGM held on 28 May 2020 for the 12 month period to 31 December 2020.

2020 Hurdle	Performance Criteria	Why this Hurdle was chosen	Achievement ¹
ESG Performance Gateway	There is an ESG Performance Gateway for the STI plan, being no ESG catastrophic consequence at a Company managed site in the 2020 calendar year. The Board has discretion to reduce the whole or part of the STI based on consideration of the individual's accountability and their role in mitigating the impacts to the Company.	This performance gateway was established to reflect the Company Values of Gold Road and the continued commitment and focus on ESG.	Achieved There were zero catastrophic ESG events.
Discovery & Growth	Economic gold discovery and progress of prospects through the exploration, business development and corporate development pipelines.	Motivate and reward shareholder value creation through: 1 Organic growth through economic gold discovery 2 Inorganic growth through mergers and/or acquisitions	Between target and stretch
Gruyere	Deliver to production and cost targets.	Motivate and reward unlocking the further potential of the Gruyere operation.	Partial target achievement
ESG	Develop organisational capability and corporate governance commensurate with an ASX200 company, being: 1. Progress in implementation of ESG reporting commensurate with upper end of peer group; 2. Implementation of renewable energy project at Yamarna and progress towards renewable energy at Gruyere.	Motivate and reward the focus on effective ESG (systems and practices) across all areas of the Company as enablers for sustainable growth.	Target achieved
Personal	Includes leadership team performance and demonstrated behaviours aligned to Company values and core competencies.	Motivate and reward executives and senior management in the execution of strategic value-adding drivers.	Between threshold and target

¹ Subsequent to the performance period end date, the Board assesses achievement of the criteria, and number of Performance Rights that vest

Long Term Incentives

The Company's LTI framework for Executive KMPs is based on the following key principles:

- LTIs are to be granted annually on set percentages of fixed base remuneration.
- The vesting of LTIs will be subject to performance measured against long-term external Relative TSR and EPS hurdles and Company strategic hurdles, measured at the end of the performance period.

The key features and current status of the approved LTI framework for Executive KMPs is detailed below:

Feature	Description			
Grants	LTI 2017-2020 (measured to 31 December 2020)	LTI 2018-2020 (measured to 31 December 2020)	LTI 2019-2021 (measured to 31 December 2021)	LTI 2020-2022 (measured to 31 December 2022)
Relevant plan	2017 Plan	2017 Plan	2017 Plan	2020 Plan
Status	Vested	Vested	Unvested	Unvested
Instrument	Grants are made in the form of Performance Rights which are issued in accordance with the relevant approved Plan. The LTIs currently approved are provided in a separate table below.			
Grant frequency	Grants are made on an annual basis but are subject to the Board's discretion.			
Target quantum (% of base salary)	The percentage threshold and remuneration levels are reviewed at each grant and determined based on market and peer group practice for the relevant period.			
	Managing Director and CEO: 100% Executive Director: 65%	Managing Director and CEO: 100% Executive Director: 65%	Managing Director and CEO: 100% (stretch 103.7%) ¹ Executive Director: 65% (stretch 67.4%) ²	Managing Director and CEO: 100% (stretch 141.3%) ³ Executive Director: 65% (stretch 91.8%) ⁴
Performance conditions / Vesting Hurdles (% of base salary)	The Company has selected the performance hurdles and criteria outlined below to align the interests of executives with the long-term interests of its shareholders.			
	Relative TSR: 50% Strategic: 50%	Relative TSR: 50% Strategic: 50%	Relative TSR: 35% EPS: 15.0% (stretch 18.7%) ⁵ Strategic: 50%	Relative TSR: 25% EPS: 25% (stretch 31.3%) ⁵ Strategic: 50% (stretch 85%)
Performance period and vesting ⁶	3.5 years	3 years	3 years	3 years
Exercise	The percentage of Performance Rights that meet Vesting Hurdles (as determined by the Board) automatically exercise into Company shares and the remainder are forfeited/cancelled. The Board may also, in its absolute discretion, permit the exercise of incentives (irrespective of whether the relevant vesting conditions have been met) during such period as the Board determines where: (a) the Company passes a resolution for voluntary winding up; (b) an order is made for the compulsory winding up of the Company; or (c) the Company passes a resolution in accordance with Listing Rule 11.2 to dispose of its main undertaking.			
Change of control	Incentives granted under the 2017 Plan and 2020 Plan allow the Board at its absolute discretion, to determine the manner in which any or all of the incentives vest, including having regard to the performance of the Company against targets in the vesting conditions at that time, the period of time that has elapsed between the grant date and the date of the change of control event and the circumstances of the change of control event.			
Board Discretion and Clawback	For all LTI plans the Board has discretion to reduce or cancel any unvested or unexercised Performance Rights. For the 2020-2022 LTI plan, the Board instituted clawback rights for vested Shares in the event of serious misconduct, a material misstatement in the Group's financial statements or a material adverse effect on the reputation of the Company.			

¹ Includes provision for a stretch of 125% on the EPS metric, resulting in a total stretch of 103.7% of base salary

² Includes provision for a stretch of 125% on the EPS metric, resulting in a total stretch of 67.4% of base salary

³ Includes provision for a stretch of 170% on the strategic metrics and 125% on the EPS metric resulting in a total stretch of 141.3% of base salary

⁴ Includes provision for a stretch of 170% on the strategic metrics and 125% on the EPS metric resulting in a total stretch of 91.8% of base salary

⁵ This figure includes provision for a stretch of 125% of the target weighting on achievement of a >30% EPS growth over a 3 year period above baseline

⁶ Performance periods are typically 3 years, however the 2017-2020 LTI was extended to 3.5 years to align with a change to the Company's financial year end date from 30 June to 31 December

Long Term Incentive 2017-2020 (measured to 31 December 2020)

The quantum of LTI 2017-2020 grants to have met the vesting conditions is as follows:

Executive KMPs	Performance Rights Granted	% Earned	% Fixed Remuneration Achieved	Shares Vested
D. Gibbs ¹	-	-	-	-
J Osborne	374,826	25%	28%	93,706

¹ D. Gibbs was not eligible to participate in the 2017-2020 LTI as he was not an employee at the commencement of the LTI period.

Performance Conditions

The LTI 2017-2020 performance hurdles and criteria is comprised of:

Performance Hurdle	Weighting
Relative TSR	50%
Company Strategic	50%

The nominated peer group for the LTI 2017-2020 is comprised of the following companies:

Breaker Resources NL	Ramelius Resources Ltd
Dacian Gold Ltd	Regis Resources Ltd
Gascoyne Resources Ltd	Resolute Mining Ltd
Great Panther Mining Ltd/Beadell Resources Ltd ¹	Saracen Mineral Holdings Ltd
Independence Group	Silver Lake Resources Ltd
Perseus Mining Ltd	St Barbara Ltd
Pilbara Minerals Ltd	Westgold Resources Ltd

1. Beadell Resources Ltd was acquired by Great Panther Mining Ltd by an all scrip transaction in 2019.

The following table sets out the vesting outcome based on the Company's Relative TSR performance:

Relative TSR Performance	Performance Vesting Outcomes
Less than 100% of the nominated equal weighted peer group index	0% vesting
At 100% of the nominated equal weighted peer group index	50% vesting
Above 100% of the nominated equal weighted peer group index	50% plus the percentage, which is outperformed against the nominated peer group, up to a maximum of 100% of the Relative TSR hurdle

The following table shows the Relative TSR performance of Gold Road and the nominated peer group:

Company	Relative TSR
Gascoyne Resources Ltd	-93%
Dacian Gold Ltd	-81%
Breaker Resources NL	-73%
Great Panther Mining Ltd / Beadell Resources Ltd ¹	-68%
Resolute Mining Ltd	-33%
St Barbara Ltd	1 %
Regis Resources Ltd	21%
Westgold Resources Ltd	38%
Gold Road Resources Ltd	79%
Independence Group	96%
Pilbara Minerals Ltd	128%
Ramelius Resources Ltd	274%
Silver Lake Resources Ltd	280%
Perseus Mining Ltd	296%
Saracen Mineral Holdings Ltd	323%
Average	79%

Relative TSR of Gold Road (A)	Average Relative TSR of Peer Group (B)	Relative Outperformance (C = A - B)	Relative Percentage Vesting (50% + C)
79%	79%	0%	50%

1. Beadell Resources Ltd was acquired by Great Panther Mining Ltd by an all scrip transaction in 2019. The Relative TSR is based on the scrip ratio of that transaction.

The achievement results against the performance hurdles and criteria for the LTI 2017-2020 were as follows:

- Relative TSR hurdle (total 50%)
Gold Road's Relative TSR performance was the average of the nominated peer group index, and Gold Road achieved a Relative TSR of 79%, which is an achievement of 50% of this hurdle. Therefore 25% of the LTI 2017-2020 Performance Rights vested.
- Company Strategic hurdle - Discovery or acquisition (50%)
0% vested as there has been no greenfields discovery of a deposit of greater than 1Moz contained gold, or an equivalent Board approved acquisition during the period.

Long Term Incentive 2018-2020 (measured to 31 December 2020)

As approved by shareholders in 2018, the LTI 2018-2020 was established due to the Company changing financial reporting periods from July - June, to calendar year January - December.

The quantum of LTI 2018-2020 grants to have met the vesting conditions is as follows:

Executive KMPs	Performance Rights Granted	% Earned	% Fixed Remuneration Achieved	Shares Vested
D. Gibbs ¹	-	-	-	-
J Osborne	380,273	25%	28%	95,068

¹ D. Gibbs was not eligible to participate in the LTI 2018-2020 as he was not an employee at the commencement of the LTI period.

Performance Conditions

The LTI 2018-2020 performance hurdles and criteria is comprised of:

Performance Hurdle	Weighting
Relative TSR	50%
Company Strategic	50%

The nominated peer group for the LTI 2018-2020 is comprised of the following companies:

Breaker Resources NL	Ramelius Resources Ltd
Dacian Gold Ltd	Regis Resources Ltd
Gascoyne Resources Ltd	Resolute Mining Ltd
Great Panther Mining Ltd / Beadell Resources Ltd ¹	Saracen Mineral Holdings Ltd
Independence Group	Silver Lake Resources Ltd
Perseus Mining Ltd	St Barbara Ltd
Pilbara Minerals Ltd	Westgold Resources Ltd

¹ Beadell Resources Ltd was acquired by Great Panther Mining Ltd by an all scrip transaction in 2019.

The following table sets out the vesting outcome based on the Company's Relative TSR performance:

Relative TSR Performance	Performance Vesting Hurdles
75 th - 100 th percentile	75% - 100% on a straight line pro rata (up to a maximum of 100%) vesting
50 th - 75 th percentile	50% vesting
0 - 50 th percentile	0% vesting

The following table shows the Relative TSR performance of Gold Road and the nominated peer group:

Company	Relative TSR
Gascoyne Resources Ltd	-93%
Dacian Gold Ltd	-86%
Breaker Resources NL	-64%
Great Panther Mining Ltd / Beadell Resources Ltd ¹	-58%
Resolute Mining Ltd	-20%
Pilbara Minerals Ltd	-18%
St Barbara Ltd	-17%
Regis Resources Ltd	7%
Independence Group	52%
Westgold Resources Ltd	64%
Gold Road Resources Ltd	83%
Saracen Mineral Holdings Ltd	205%
Perseus Mining Ltd	271%
Ramelius Resources Ltd	385%
Silver Lake Resources Ltd	436%
Average	76%

Percentile	Peer group	Entitlement
0 th Percentile	-93%	0%
25 th Percentile	-39%	0%
50 th Percentile	7%	50%
75 th Percentile	144%	50% + straight line pro rata
100 th Percentile	436%	100%

¹ Beadell Resources Ltd was acquired by Great Panther Mining Ltd by an all scrip transaction in 2019. The Relative TSR is based on the scrip ratio of that transaction.

The achievement results against the performance vesting hurdles and criteria (set in 2018) for the LTI 2018-2020 were as follows:

- Relative TSR hurdle (total 50%)
Gold Road's Relative TSR performance relative to peer group Relative TSR performance is between the 50th and 75th percentile, and Gold Road achieved a Relative TSR of 83%, which is an achievement of 50% of this hurdle. Therefore 25% of the LTI 2018-2020 Performance Rights vested.
- Company Strategic hurdle - Discovery or acquisition (50%)
0% vested as there has been no greenfields discovery of a deposit of greater than 1Moz contained gold, or an equivalent Board approved acquisition during the period.

Long Term Incentives Currently on Issue

Details of Executive KMPs LTIs on issue and subject to vesting conditions at the end of the year are summarised below.

Details	LTI 2019-2021		LTI 2020-2022	
	Performance Rights	Fair value of Performance Rights at grant date ¹	Performance Rights	Fair value of Performance Rights at grant date ¹
D Gibbs	756,808	\$644,654	634,704 ²	\$733,083
J Osborne	444,482	\$378,613	323,212 ²	\$373,310
Value used to determine the number of Performance Rights to be granted	\$0.617 cents being the higher of the Company's 30 day VWAP for the period to 1 January 2019 and the most recent capital raising price prior to that date (being the May 2016 share placement and entitlement issue at \$0.44)		\$1.155 being the Company's 30 day VWAP for the period to 1 January 2020	
Performance period	3 years to 31 December 2021		3 years to 31 December 2022	
Performance vesting hurdle - Shareholder Returns (50% weighting):	Relative TSR: 35% - Requires an assessment of how the Company's Relative TSR, including dividends paid to shareholders, has performed over the measurement period relative to a nominated peer group over the same period. EPS: 15.0% (stretch 18.7%) - Earnings per share growth based on the Company's internal three year net profit before tax baseline and the number of shares on issue as at 1 January 2019.		Relative TSR: 25% - Requires an assessment of how the Company's Relative TSR, including dividends paid to shareholders, has performed over the measurement period relative to a nominated peer group over the same period. EPS: 25.0% (stretch 31.3% ³) - Earnings per share growth based on the Company's internal three year net profit before tax baseline and the number of shares on issue as at 1 January 2020.	
Performance vesting hurdle - Company Strategic (50% weighting) The strategic vesting condition requires an assessment of the achievement of performance against pre-set strategic objectives	The pre-set Company strategic hurdles are: <ul style="list-style-type: none"> ▪ New discovery of peer reviewed JORC inferred resource of >1Moz ▪ Dependant on the first hurdle: Pre-feasibility completed, recommending optimal development strategy for evaluation at feasibility study level. 		The pre-set Company strategic hurdles are: <ul style="list-style-type: none"> ▪ Growth: 25% (stretch 50%⁴) ▪ New Discovery: Discovery of JORC resource(s) capable of supporting a new mining and processing operation meeting Gold Road's investment criteria (25%) ▪ Completion of a Board approved, value accretive transaction which is positively viewed by the market (25%) ▪ Gruyere Optimisation 25% (stretch 35%⁵). Requires increase in annual gold production and/or extension of asset life. 	

¹ Performance Rights allocated to Executive KMPs under the LTIs, had their values verified using a combination of a Monte Carlo simulation (for those with market hurdles), and a Black-Scholes pricing model (for those with strategic hurdles)

² Includes provision for a stretch of 170% on the strategic metrics and 125% on the EPS metric resulting in a total stretch of 141.3% of target LTI

³ Includes provision for a stretch of 125% on the EPS metric resulting in a stretch weighting of 31.3% for this metric

⁴ Includes provision for a stretch of 200% on the Growth metric resulting in a stretch weighting of 50% for this metric

⁵ Includes provision for a 140% stretch on the Gruyere optimisation metric resulting in a stretch weighting of 35% for this metric

The Board reviewed and adjusted the composition of the strategic metrics for the LTI 2020-2022 to align Executive KMP remuneration with the company's long term organic and inorganic growth strategies and the optimisation of Gruyere.

Service Agreements

Remuneration and other terms of employment for the Executive KMPs are formalised in Service Agreements (**agreements**). The agreements provide for the provision of performance related cash and share-based incentives. Other major provisions of the agreements relating to remuneration are set out below.

The agreements may be terminated early by either party with notice as set out in the agreements, subject to termination payments as detailed below.

The table below summarises the key terms in the service agreements of Executive KMPs as at 31 December 2020.

Executive KMPs	Role	Term of agreement	Termination notice period	Fixed base salary excluding super
D Gibbs	Managing Director and CEO	No fixed term, commenced 17 September 2018	6 months by individual, or 6 months by Company	From 1 January 2020, \$518,997 and reviewed annually
J Osborne	Executive Director - Discovery and Growth	No fixed term, commenced 14 October 2013	4 months by individual, or 12 months by Company	From 1 July 2017, \$406,600 and reviewed annually

Remuneration Expense

The following table shows details of the remuneration expense recognised for KMPs for the current financial year and previous period measured in accordance with the requirements of the accounting standards.

Year ended 31 December 2020

Directors	Salaries and Fees ¹ \$	Superannuation Contributions \$	Cash Benefits (STI) ² \$	Performance Rights (STI) ² \$	Performance Rights (LTI) \$	Total \$	At Risk %
D Gibbs	522,761	21,348	133,667	139,453	449,721	1,266,950	57
J Osborne	456,666	21,348	67,973	70,915	102,617	719,519	34
B Lvet	93,836	8,914	-	-	-	102,750	-
T Netscher	162,345	-	-	-	-	162,345	-
S Warburton	93,836	8,914	-	-	-	102,750	-
M Arnason ³	50,828	4,829	-	-	-	55,657	-
Total	1,380,272	65,353	201,640	210,368	552,338	2,409,971	

¹ Salaries and fees include movements in leave entitlements

² STI benefits are an accrual of the STI 2020

³ M Arnason commenced 15 June 2020

Year ended 31 December 2019

Directors	Salaries and Fees ¹ \$	Superannuation Contributions \$	Cash Benefits (STI) ² \$	Performance Rights (STI) ² \$	Performance Rights (LTI) \$	Performance Rights (Other) \$	Total \$	At Risk %
D Gibbs	479,423	20,767	107,055	259,437	205,949	134,260 ³	1,206,891	47
J Osborne	424,040	20,767	62,469	151,388	166,209	-	824,873	46
B Lvet	91,324	8,676	-	-	-	-	100,000	-
T Netscher	158,000	-	-	-	-	-	158,000	-
S Warburton	91,324	8,676	-	-	-	-	100,000	-
Total	1,244,111	58,886	169,524	410,825	372,158	134,260	2,389,764	

¹ Salaries and fees include movements in leave entitlements

² STI benefits are an accrual of the STI 2019

³ Onboarding Performance Rights have been accrued over the vesting period

Share-Based Compensation

Performance Rights

Performance Rights that entitle one ordinary share in Gold Road for each performance right that vests if a nominated performance milestone is achieved are granted under the Plan.

Performance Rights granted under the Plan have varying vesting periods as determined by the Board at the date of grant, except under certain circumstances whereby Performance Rights may be capable of exercise prior to the expiry of the vesting period. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

In circumstances where a participant ceases to be employed or engaged by the Company at or prior to the end of the relevant performance period, the Board may decide that some or all of that person's incentives will not be forfeited.

Equity instruments granted as compensation during the year ended 31 December 2020

During the year ended 31 December 2020, 1,232,716 Performance Rights were granted in accordance with STIs and LTIs pursuant to the terms of the Plan to Executive KMPs of the Company.

Performance Rights granted

Director	Incentive	Number Granted	Grant Date	Fair Value at Grant Date	Performance Period End Date ¹
D Gibbs	STI 2019	173,537 ²	30 January 2020	149.5 cents	31 December 2019
	LTI 2020-2022 (Company strategic hurdles)	522,367	28 May 2020	172.0 cents ³	31 December 2022
	LTI 2020-2022 (External hurdles)	112,337	28 May 2020	135.0 cents ⁴	31 December 2022
J Osborne	STI 2019	101,263 ⁵	30 January 2020	149.5 cents	31 December 2019
	LTI 2020-2022 (Company strategic hurdles)	266,006	28 May 2020	172.0 cents ³	31 December 2022
	LTI 2020-2022 (External hurdles)	57,206	28 May 2020	135.0 cents ⁴	31 December 2022

¹ Subsequent to the performance period end date, the Board determines the number of Performance Rights that vest

² D Gibbs' STI 2019 target performance rights were 296,340

³ Relates to LTI strategic hurdles. Performance Rights allocated to Executive KMPs under the LTIs, had their values verified using a Black-Scholes pricing model

⁴ Relates to LTI market hurdles. Performance Rights allocated to Executive KMPs under the LTIs, had their values verified using a Monte Carlo simulation

⁵ J Osborne's STI 2019 target performance rights were 175,074

Subsequent to 31 December 2020, the following Performance Rights were vested.

Directors	Incentive Plan	Number Vested	Grant Date	Fair Value at Grant Date ²	Performance Period End Date ¹
D Gibbs	STI 2020	115,729	29 January 2021	120.5 cents	31 December 2020
J Osborne	STI 2020	58,851	29 January 2021	120.5 cents	31 December 2020
	LTI 2017-2020	93,706	17 November 2017	42.7 cents	31 December 2020
	LTI 2018-2020	95,068	25 May 2018	38.2 cents	31 December 2020

¹ Subsequent to the performance period end date, the Board determines the number of Performance Rights that vest

² Performance Rights are valued at the underlying market value at grant date of the ordinary shares over which they are granted

The assessed fair value at grant date of Performance Rights granted to individuals are expensed evenly over the performance period of the relevant incentive.

Analysis of Share Options and Performance Rights over Equity Instruments Granted as Compensation

Conversion of Performance Rights Granted as Compensation

During the year, the following shares were issued on the conversion of Performance Rights previously granted as compensation to Executive KMPs.

Director	Performance Rights Converted	Shares Issued	Share Issue Date	Exercise Price of Performance Rights	Vesting Date of Performance Rights
D Gibbs	275,000 ¹	275,000	23 March 2020	Nil	1 January 2020
D Gibbs	173,537	173,537	23 March 2020	Nil	30 January 2020
J Osborne	101,263	101,263	23 March 2020	Nil	30 January 2020

¹ Onboarding Performance Rights vested on 1 January 2020 following the completion of the service conditions

Performance Rights Granted as Compensation

The movement during the year to 31 December 2020, by fair value, of Performance Rights over ordinary shares in the Company held by Executive KMPs and granted as part of remuneration is as follows:

Executive KMPs	Granted During the Year ¹ (\$)	Exercised During the Year ² (\$)
D Gibbs	1,309,564	477,692
J Osborne	686,147	107,845

¹ The value of Performance Rights granted in the year is the fair value calculated at grant date. The total value is included in the tables above. This amount is allocated to remuneration over the vesting period

² The value of Performance Rights exercised during the year is calculated as the closing market price of the Company's shares on the date of exercise

The movement during the year to 31 December 2020, by quantity, of Performance Rights over ordinary shares in the Company held by Executive KMPs and granted as part of remuneration is as follows:

Executive KMPs	Balance at Start of the Year	Granted During the Year	Exercised During the Year	Balance at the End of the Year
D Gibbs	1,031,809	808,241	(448,537)	1,391,513
J Osborne	1,199,581	424,475	(101,263)	1,522,793

Equity Holdings by Key Management Personnel

Details of Performance Rights held at 31 December 2020 by Executive KMPs of the Company are detailed in the table below.

Executive KMPs	Incentive	Grant Date	Performance Rights Granted	Performance Period End Date ¹
D Gibbs	LTI 2019-2021	29 May 2019	756,809	31 December 2021
	LTI 2020-2022	28 May 2020	634,704	31 December 2022
J Osborne	LTI 2017-2020	17 November 2017	374,826	31 December 2020
	LTI 2018-2020	25 May 2018	380,273	31 December 2020
	LTI 2019-2021	29 May 2019	444,482	31 December 2021
	LTI 2020-2022	28 May 2020	323,212	31 December 2022

¹ Subsequent to the performance period end date, the Board determines the number of Performance Rights that vest

Details of shares held at 31 December 2020 by KMPs of the Company are detailed below.

Directors	Balance at Start of the Year	Received During the Year on Exercise of Share Options or Performance Rights	Other Changes During the Year ¹	Balance at the End of the Year
D Gibbs	40,000	448,537	-	488,537
J Osborne	3,022,161	101,263	75,000	3,198,424
B Levet	130,000	-	110,000	240,000
T Netscher	765,000	-	18,000	783,000
S Warburton	40,000	-	58,000	98,000
M Arnason	-	-	20,500	20,500

¹ Other changes during the year comprise market trades

Company Performance

The table below shows the performance of the Company as measured by share price and change in market capitalisation.

		31 December 2020	31 December 2019	31 December 2018	31 December 2017	30 June 2017
Sales revenue	\$'000	294,650	75,444	-	-	-
Profit/(loss) after tax	\$'000	80,818	(4,655)	(23,851)	(7,748)	229,817
Net assets	\$'000	443,727	336,132	338,966	362,259	388,625
Basic EPS	cents	9.19	(0.53)	(2.72)	(0.28)	26.40
Share price	\$	1.325	1.340	0.650	0.700	0.670
Market capitalisation	\$'000	1,165,900	1,177,728	570,109	613,963	584,414

*THIS IS THE END OF THE REMUNERATION REPORT***Officers' Indemnities and Insurance**

Since the end of the previous financial year, the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Rounding of Amounts

The Company is of a kind referred to in ASIC Instrument 2016/191 dated 24 March 2016 and in accordance with that Instrument, amounts in the Financial Statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

Corporate Governance

The 31 December 2020 Corporate Governance Statement is available on the Company's website at goldroad.com.au.

Audit and Non-Audit Services

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	31 December 2020	31 December 2019
	\$	\$
Audit and other assurance services		
Audit and review of financial statements	140,745	134,405
Total remuneration for audit and other assurance services	140,745	134,405
Taxation services		
Tax advice and related services	43,414	70,054
Total remuneration for taxation services	43,414	70,054
Other services		
Consulting and other services	-	14,053
Total remuneration for other services	-	14,053
Total remuneration of KPMG	184,159	218,512

It is the Company's policy to employ KPMG on assignments additional to their statutory audit duties where their expertise and experience with the Company are important. These assignments are principally tax advice and consulting services.

KPMG continues in office in accordance with section 327 of the *Corporations Act 2001*.

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 55.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 9th day of March 2021



Tim Netscher

Non-executive Chairman

Auditor's Independence Declaration



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Gold Road Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Gold Road Resources Limited for the financial year ended 31 December 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

GL + 177

Graham Hogg

Partner

Perth

9 March 2021

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Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Sales revenue	4(a)	294,650	75,444
Cost of sales	5(a)	(155,992)	(40,507)
Gross profit		138,658	34,937
Other income	4(b)	17,461	-
Fair value gain on derivatives	4(c)	2,422	-
Total other income		19,883	-
Exploration expenditure	5(b)	(24,697)	(17,638)
Corporate and technical services	5(c)	(12,870)	(10,977)
Fair value loss on derivatives	4(c)	-	(8,829)
Profit/(loss) before finance and income tax		120,974	(2,507)
Finance income		480	845
Finance expenses	5(d)	(7,984)	(3,553)
Profit/(loss) before income tax		113,470	(5,215)
Income tax (expense)/benefit	22	(32,652)	560
Profit/(loss) for the year		80,818	(4,655)
Other comprehensive profit/(loss)			
Items that will not be reclassified to profit or loss at fair value through OCI		580	(74)
Income tax on other comprehensive profit/(loss)		-	-
Other comprehensive profit/(loss) net of tax		580	(74)
Total comprehensive profit/(loss) for the year attributable to owners of the Company		81,398	(4,729)
Earnings per share for profit/(loss) attributable to the ordinary equity holders of the Company:		Cents	Cents
Basic profit/(loss) per share	6(a)	9.19	(0.53)
Diluted profit/(loss) per share	6(b)	9.13	(0.53)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	31 December 2020 \$'000	31 December 2019 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	126,387	101,332
Trade and other receivables	11	6,671	2,964
Other financial assets		874	82
Inventories	12	23,376	18,292
Total current assets		157,308	122,670
Non-current assets			
Property, plant and equipment	9	333,886	330,564
Right-of-use assets	10	117,411	125,559
Exploration and evaluation	8	16,972	16,764
Other financial assets		1,541	577
Deferred tax asset		-	10,894
Total non-current assets		469,810	484,358
TOTAL ASSETS		627,118	607,028
LIABILITIES			
Current liabilities			
Trade and other payables	13	29,378	27,689
Provisions	14	2,709	1,165
Borrowings	16	-	49,553
Lease liabilities	17	9,695	8,572
Current tax liabilities	22	7,336	-
Other financial liabilities	18	8,174	10,814
Total current liabilities		57,292	97,793
Non-current liabilities			
Provisions	14	25,441	26,202
Borrowings	16	-	28,955
Lease liabilities	17	106,287	113,295
Deferred tax liabilities	22	14,163	-
Other financial liabilities	18	4,468	4,651
Total non-current liabilities		150,359	173,103
TOTAL LIABILITIES		207,651	270,896
Net assets		419,467	336,132
EQUITY			
Contributed equity	19	203,949	203,949
Reserves	20	3,622	2,081
Retained earnings	20(c)	211,896	130,102
TOTAL EQUITY		419,467	336,132

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Contributed Equity \$'000	Equity Remuneration Reserve ¹ \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance as at 1 January 2020	203,949	2,661	(580)	130,102	336,132
Profit for the year	-	-	-	80,818	80,818
Other comprehensive profit for the year	-	-	580	-	580
Total comprehensive profit for the year	-	-	580	80,818	81,398
Equity settled share-based payments	-	1,677	-	-	1,677
Transfer from equity remuneration reserve	-	(976)	-	976	-
Tax effect on share-based payments	-	260	-	-	260
Balance as at 31 December 2020	203,949	3,622	-	211,896	419,467

	Contributed Equity \$'000	Equity Remuneration Reserve ¹ \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance as at 1 January 2019	203,949	1,820	(506)	133,703	338,966
Loss for the year	-	-	-	(4,655)	(4,655)
Other comprehensive loss for the year	-	-	(74)	-	(74)
Total comprehensive loss for the year	-	-	(74)	(4,655)	(4,729)
Equity settled share-based payments	-	1,895	-	-	1,895
Transfer from equity remuneration reserve	-	(1,054)	-	1,054	-
Balance as at 31 December 2019	203,949	2,661	(580)	130,102	336,132

Further information about the share-based payments is set out in Note 27

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Cash flows from operating activities			
Receipts from customers		290,750	75,444
Interest received		468	829
Receipts from government - PAYG cashflow boost		100	-
Interest and fees paid - lease liabilities		(4,294)	(1,119)
Interest and fees paid - borrowing		(2,253)	(1,557)
Payments to suppliers and employees		(119,238)	(22,356)
Payments for exploration and evaluation expensed		(22,840)	(16,810)
Research and development tax benefit		-	120
Income tax paid		-	(508)
Net cash inflow from operating activities	7(b)	142,693	34,043
Cash flows from investing activities			
Payments for property, plant and equipment		(43,461)	(37,282)
Acquisition of investments in listed securities		(9,259)	(50)
Proceeds from sale of investments in listed securities		27,334	-
Payments for exploration and evaluation capitalised		(1,616)	(4,176)
Proceeds from disposal of property, plant and equipment		18	23
Payments for capitalised interest during development		-	(4,513)
Payments for derivatives		-	(513)
Transfers from security deposits		-	187
Payments for tenement acquisitions		-	(24)
Net cash outflow from investing activities		(26,984)	(46,348)
Cash flows from financing activities			
Lease repayments		(8,778)	(7,739)
Proceeds from borrowings		50,000	77,419
Repayment of borrowings		(130,419)	-
Transaction costs related to loans and borrowings		(1,457)	-
Net cash (outflow)/inflow from financing activities		(90,654)	69,680
Cash and cash equivalents at the beginning of the year		101,332	43,957
Net increase in cash and cash equivalents		25,055	57,375
Cash and cash equivalents at the end of the year	7	126,387	101,332

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Notes to the Consolidated Financial Statements

Note 1 Corporate Information

The financial statements cover the consolidated group comprising Gold Road Resources Limited and its subsidiaries, together referred to as Gold Road, the Company or the Group.

Gold Road is a company incorporated and domiciled in Australia, limited by shares, and is a for profit entity whose shares are publicly traded on the Australian Securities Exchange.

Note 2 Basis of Preparation

The financial statements were authorised for issue in accordance with a Resolution of the Directors on 9 March 2021.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001*.

(a) Compliance with International Financial Reporting Standards

The Consolidated Financial Statements of the Group also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(b) Historical cost convention

These Consolidated Financial Statements have been prepared under the historical cost convention, and on an accruals basis, except for derivative financial assets/liabilities and certain other financial assets and liabilities which are required to be measured at fair value.

(c) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates - the functional currency. The Consolidated Financial Statements are presented in Australian dollars, which is Gold Road's functional and presentation currency.

(d) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to confirm to the changes in presentation for the current financial year.

(e) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

(f) Critical accounting estimates

The preparation of financial statements requires the use of certain estimates, judgements and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates and application of different assumptions and estimates may have a significant impact on the Group's net assets and financial results.

Estimates and assumptions are reviewed on an ongoing basis and are based on the latest available information at each reporting date. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are found in the following notes.

Note 5(b), Note 8	Exploration and Evaluation
Note 9	Property, Plant and Equipment
Note 10	Right-of-use Assets
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Financial Performance

Note 3 Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Group's Board of Directors, being the Group's Chief Operating Decision Maker (CODM), in assessing performance and in determining the allocation of resources. An operating segment is a component of the Group that engages in business activities which may earn revenue and incur expenditure, and separate financial information is available that is evaluated regularly by the CODM. These are measured in the same way as in the financial statements.

The following have been identified as individual operating segments:

(a) Development and Production

All operating segments within Australia will be one reportable segment being Development and Production, consisting of the Gruyere joint operation with Gold Fields, which transitioned from development to production phase during the 2019 year. Exploration activities on Gruyere JV tenements are included in the Exploration segment.

(b) Exploration

The Exploration segment includes the activities on all mineral exploration, including all joint venture tenements.

(c) Unallocated

Unallocated items comprise corporate which includes those expenditures supporting the business during the year, and items that cannot be directly attributed to the Development and Production or Exploration segments.

The segment information for the reportable segments for the year ended 31 December 2020 is as follows:

	Development and Production		Exploration		Unallocated		Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Segment revenue	294,650	75,444	-	-	-	-	294,650	75,444
Segment profit/(loss) before tax	135,933	24,638	(24,697)	(17,638)	2,234	(12,215)	113,470	(5,215)
Income tax (expense)/benefit	-	-	-	-	(32,652)	560	(32,652)	560
Capital expenditure additions	40,264	56,222	5,788	4,179	375	444	46,427	60,845
Segment assets	483,672	541,943	22,972	17,232	120,474	47,853	627,118	607,028
Segment liabilities	(180,871)	(237,875)	(2,728)	(1,704)	(24,052)	(31,317)	(207,651)	(270,896)

Recognition and measurement

Operating segments are identified, and segment information disclosed, where appropriate, on the basis of internal reports reviewed by the Board of Directors, being the Company's CODM, as defined by AASB 8.

Note 4 Revenue

(a) Revenue from contracts with customers

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Gold revenue	294,650	75,444
	294,650	75,444

Recognition and measurement

The Group recognises revenue at a point in time when control (physical or contractual) is transferred to the buyer, and the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The Group's gold revenue is recognised when control has transferred to the buyer and selling prices are known or can be reasonably estimated.

(b) Other income

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Profit on sales of investments in listed securities	17,278	-
Other income	183	-
	17,461	-

(c) Fair value gain on derivatives

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Fair value gain/(loss) on derivatives	2,422	(8,829)
	2,422	(8,829)

Gold forward sales contracts

At the reporting date, the Group has gold forward sale contracts totalling 73,080 ounces denominated in Australian dollars which are held to be delivered at an average of \$1,857 per ounce. Of these, 18,400 ounces are adjusted for the mark-to-market valuation through the profit or loss, performed at each reporting period and which are held to be delivered at an average of \$1,785 per ounce.

For the details of the remaining 54,680 ounces of gold forward sales contracts accounted for using the 'own use exemption' under AASB 9 Financial Instruments, refer to Note 31 (b).

Put options

At the reporting date, the Group has 15,000 ounces of Australian dollar denominated gold put options with maturity dates over the next 9 months and a strike price of \$1,800 per ounce. These are accounted for as derivatives (fair value through profit or loss).

Recognition and measurement

Derivatives are classified as held for trading and accounted for at fair value through profit or loss unless they are accounted for using the 'own use exemption'.

For derivatives classified as held for trading, a mark-to-market valuation is performed on the remaining undelivered ounces, with any changes in the fair value recognised in profit or loss.

They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

For derivatives accounted for using the 'own use exemption', all associated revenue is recognised in the profit or loss on the delivery date.

Note 5 Expenses

(a) Cost of sales

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Costs of production	(98,082)	(26,709)
Royalties & other selling costs	(10,635)	(2,407)
Depreciation & amortisation expense	(48,687)	(11,624)
Changes in inventory	1,412	(1,362)
	(155,992)	(42,102)

(b) Exploration expenditure expensed

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Costs expensed in relation to areas of interest in the exploration and evaluation phase	(24,697)	(17,638)
	(24,697)	(17,638)

Recognition and measurement

Accounting for exploration and evaluation expenditures is assessed separately for each "area of interest". Each "area of interest" is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation expenditure relating to an area of interest is capitalised when either of the following criteria has been met:

- A Mineral Resource has been defined; or
- The Group has determined that there is a reasonable expectation that Mineral Resources will be defined.

If the criterion is not met, exploration and evaluation expenditure is expensed.

The exception to this treatment is the acquisition of an exploration and evaluation asset through an asset acquisition or business combination which will be recognised as an asset on acquisition and only future exploration and evaluation spend on the area of interest acquired will be subject to the above criteria.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then transferred to mine development.

Any gain or loss on disposal of an area of interest is recognised in profit or loss.

(a) Corporate and technical services

	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Administration and technical services	(4,149)	(4,292)
Employee expenses	(6,135)	(4,142)
Equity based remuneration expense	(1,677)	(1,895)
Depreciation expense	(909)	(648)
	(12,870)	(10,977)

(b) Finance expenses

	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Interest and finance charges	(2,308)	(1,602)
Amortisation of debt establishment fees	(967)	(352)
Lease interest	(4,306)	(1,118)
Provisions: unwinding of discount	(403)	(481)
	(7,984)	(3,553)

Note 6 Earnings Per Share

	12 months ended 31 December 2020 Cents	12 months ended 31 December 2019 ¹ Cents
(a) Basic earnings per share		
Profit/(loss) attributable to ordinary equity holders of the Company	9.19	(0.53)
(b) Diluted earnings per share		
Profit/(loss) attributable to ordinary equity holders of the Company	9.13	(0.53)
(c) Profit/(loss) used in calculation of basic and diluted earnings per share		
Profit/(loss) for the financial year	\$'000 80,818	\$'000 (4,655)

	12 months ended 31 December 2020	12 months ended 31 December 2019 ¹
(d) Weighted average number of shares used as the denominator	No.	No.
Weighted average number of shares used as the denominator in calculating basic earnings per share	879,620,470	878,267,013
Adjustments for calculation of diluted earnings per share:		
Performance Rights ¹	5,747,535	-
Weighted average number of shares used as the denominator in calculating diluted earnings per share	884,014,548	878,267,013

¹ There were 5,219,037 Performance Rights outstanding at 31 December 2019 which were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

Recognition and measurement

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Operating Assets and Liabilities

Note 7 Cash and Cash Equivalents

	31 December 2020 \$'000	31 December 2019 \$'000
Cash at bank	96,387	101,332
Short term deposits	30,000	-
Cash and cash equivalents	126,387	101,332

(a) Cash at bank - Gruyere JV

Included in cash at bank of \$126.387 million (2019: \$101.332 million) is \$9.527 million (2019: \$9.501 million) representing the Company's share of cash at bank held in the Gruyere JV.

(b) Cash flows from operating activities reconciliation

	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Profit/(loss) from ordinary activities after income tax	80,818	(4,655)
Depreciation and amortisation	49,596	12,272
Share-based payments expense	1,677	1,895
Fair value (profit)/loss on derivatives	(2,422)	8,829
Profit on disposal of investments in listed securities	(17,278)	-
Profit on disposal of assets	(3)	-
Rehabilitation accretion	403	481
Effective interest on borrowings	967	351
Exploration expenditure write offs	1,432	457
Change in operating assets and liabilities:		
Decrease/(Increase) in accrued interest receivable	14	(15)
Increase in other operating receivables	(3,722)	(1,774)
Increase in inventory	(5,083)	(2,667)
Increase in employee entitlements	1,871	547
Increase in operating trade and other payables	1,770	19,390
Increase in current tax liability	6,156	-
Increase/(decrease) in deferred tax liability	26,497	(1,068)
Net cash inflow from operating activities	142,693	34,043

Recognition and measurement

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 8 Exploration and Evaluation

	31 December 2020 \$'000	31 December 2019 \$'000
In the exploration and evaluation phase		
Opening balance	16,764	13,042
Exploration acquisitions during the year	-	81
Exploration expenditure written off during the year	(1,432)	(457)
Exploration expenditure capitalised during the year	1,640	4,098
Closing balance	16,972	16,764

Recognition and measurement

Accounting for exploration and evaluation expenditures is assessed separately for each "area of interest". Each "area of interest" is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation expenditure relating to an area of interest is capitalised when either of the following criteria has been met:

- a Mineral Resource has been defined; or
- the Group has determined that there is a reasonable expectation that Mineral Resources will be defined.

If the criterion is not met, exploration and evaluation expenditure is expensed.

The exception to this treatment is the acquisition of an exploration and evaluation asset through an asset acquisition or business combination which will be recognised as an asset on acquisition and only future exploration and evaluation spend on the area of interest acquired will be subject to the above criteria.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then transferred to mine development.

Any gain or loss on disposal of an area of interest is recognised in profit or loss.

Critical accounting estimates and judgements

(a) Determination of Mineral Resources and Ore Reserves

The Group estimates its Mineral Resources and Ore Reserves in accordance with the Joint Ore Reserves Committee Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). The information on Mineral Resources and Ore Reserves is prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the Mineral Resources and Ore Reserves determined under the JORC Code.

There are numerous uncertainties inherent in estimating the Mineral Resources and Ore Reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of Ore Reserves and may ultimately result in the Ore Reserves being restated. Such changes in Ore Reserves could impact on depreciation and amortisation rates, asset carrying values, impairment assessments and provisions.

(b) Impairment of capitalised exploration and evaluation expenditure

Capitalised mineral exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest and are assessed for indicators of impairment during each reporting period.

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written down to recoverable amount in the year in which that assessment is made.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash-generating unit is not larger than the area of interest.

The future recoverability of capitalised exploration and evaluation expenditure is dependent upon a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it expects to successfully recover the related exploration and evaluation asset through sale.

Factors that could impact future recoverability include the level of Mineral Resources and Ore Reserves, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, an impairment expense is recognised in the period in which the determination is made.

Note 9 Property, Plant and Equipment

	Plant and Equipment \$'000	Buildings \$'000	Mine Development Assets \$000	Assets Under Construction \$'000	Total \$'000
31 December 2020					
Opening net book value	262,214	467	64,463	3,420	330,564
Additions	3,634	889	29,333	9,269	43,125
Movement in rehabilitation asset	-	-	(1,230)	-	(1,230)
Transfer from assets under construction	5,890	-	-	(5,890)	-
Depreciation & amortisation	(23,520)	(195)	(14,842)	-	(38,557)
Disposals	(16)	-	-	-	(16)
Net book value	248,202	1,161	77,724	6,799	333,886
31 December 2020					
Cost	279,390	3,547	98,386	6,799	388,122
Accumulated depreciation	(31,188)	(2,386)	(20,662)	-	(54,236)
Closing net book value	248,202	1,161	77,724	6,799	333,886
	Plant and Equipment ¹ \$'000	Buildings \$'000	Mine Development Assets ² \$000	Assets Under Construction \$'000	Total \$'000
31 December 2019					
Opening net book value	1,583	487	42,215	251,929	296,214
Additions	2,063	191	16,038	19,187	37,479
Movement in rehabilitation asset	-	-	6,448	-	6,448
Transfer from assets under construction	264,520	-	3,176	(267,696)	-
Depreciation & amortisation	(5,929)	(211)	(3,414)	-	(9,554)
Disposals	(23)	-	-	-	(23)
Net book value	262,214	467	64,463	3,420	330,564
31 December 2019					
Cost	269,882	2,658	70,283	3,420	346,243
Accumulated depreciation	(7,668)	(2,191)	(5,820)	-	(15,679)
Closing net book value	262,214	467	64,463	3,420	330,564

¹ Included in Property, Plant and Equipment is \$4.795 million of interest expense in the 2019 financial year

² Prior to the commencement of CLP, additions within Mine Development includes revenue from the sale of gold and expenditures of an operating nature (including depreciation and amortisation). Commercial production start date for the Gruyere Project was achieved on 1 October 2019

Non-current assets pledged as security

Under the Gruyere Joint Venture Agreement, each party's obligations are secured by first ranking securities over each party's share in the assets in the Gruyere Project.

The borrowings under the Finance Facilities are secured by first ranking securities over the assets of the Group or second ranking securities in respect of assets in the Gruyere Project, as disclosed in Note 16.

Recognition and measurement

Property, plant and equipment is stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight line and written down value methods to allocate their cost, net of residual values, over their estimated useful lives, as follows:

Plant and equipment	2 - 15 years / units of production
Buildings	5 - 12 years

Mine development assets are amortised on a unit-of-production basis over the resource of the relevant mining area.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Critical accounting estimates and judgements

The group uses the unit-of-production basis when depreciating/amortising life-of-mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life-of-mine production. Each item's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of the available resource of the mine property at which it is located.

(a) Assets under construction

The cost of assets under construction includes the cost of materials and direct labour and any other costs directly attributable to bringing an asset to a working condition ready for its intended use. Borrowing costs related to the acquisition or construction of qualifying assets are capitalised. When the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management, the assets are transferred into property, plant and equipment or mine development assets, as appropriate.

(b) Mine development assets

Development expenditure relates to costs incurred to access a mineral resource. It represents those costs incurred after the technical feasibility and commercial viability of the extraction of mineral resources in a particular area of interest is demonstrated and the identified ore reserve is being prepared for production.

Capitalised development expenditure includes:

- Reclassified exploration and evaluation assets;
- Pre-CLP operating costs (net of pre-commercial production income);
- Tailings storage facility assets
- Stripping; and
- Mine closure and rehabilitation assets.

Mine development costs are deferred until commercial production commences at which time they are amortised on a unit of production basis over mineable reserves. Capitalised costs are amortised from the commencement of CLP.

The Group assesses the stage of each mine under development to determine when a mine moves into the production phase, this being when the mine is substantially completed and ready for its intended use. This point is commonly referred to as the attainment of commercial production.

On attainment of commercial production, revenues and expenditures of an operating nature cease to be capitalised to the cost of the mine, and commence being recognised in profit and loss or the cost of inventory. It is also the point at which the depreciation and amortisation of the development assets commences.

The criteria used to assess the start date are determined based on the unique nature of each mine development project, such as the complexity of the project and its location. The Group considers various relevant criteria to assess when the production phase is considered to have commenced.

(c) Impairment of assets

The carrying amounts of assets in the development or production phase are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal (**FVLCD**). In assessing FVLCD, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

Note 10 Right-of-Use Assets

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Opening net book value	125,559	115,535
Additions	2,891	4,841
Recognition of right-of-use asset on initial application of AASB 16	-	7,900
Depreciation	(11,039)	(2,717)
Net book value	117,411	125,559
Cost	132,629	129,738
Accumulated depreciation	(15,218)	(4,179)
Closing net book value	117,411	125,559

Recognition and measurement

Right-of-use assets are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation of right-of-use assets is calculated using the straight line and written down value methods to allocate their cost, net of residual values, over their estimated useful lives, as follows:

Right-of-use assets 5 - 15 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Critical accounting estimates and judgements

Leases of assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Company, are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values.

Right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

At transition to AASB 16 on 1 January 2019, for leases classified as operating leases under AASB 117, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group leases a gas pipeline, power facilities, mine equipment, mine infrastructure and office premises. These leases were classified as finance leases under AASB 117. For these finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the right-of-use asset and lease liability under AASB 117 immediately before that date.

Note 11 Trade and Other Receivables

	31 December 2020	31 December 2019
	\$'000	\$'000
Interest receivable	13	27
Prepayments	1,169	1,150
Revenue receivable	3,900	-
Other receivables	1,589	1,787
Trade and other receivables	6,671	2,964

Recognition and measurement

Receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Note 12 Inventories

	31 December 2020	31 December 2019
	\$'000	\$'000
Ore stockpiles	7,667	7,576
Gold in circuit, doré and bullion	3,549	2,228
Consumable supplies and spares	12,160	8,488
Inventories - at cost	23,376	18,292

Recognition and measurement

Inventories, comprising ore stockpiles, gold in circuit and gold doré are valued at the lower of weighted average cost and net realisable value. Costs include fixed direct costs, variable direct costs and an appropriate portion of fixed overhead costs. A portion of the related depreciation and amortisation charge is included in the cost of inventory.

Inventories of consumable supplies and spare parts are valued at the lower of cost and net realisable value. Cost is assigned on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion, and the estimated costs necessary to make the sale. The recoverable amount of surplus items is assessed regularly and written down to its net realisable value when an impairment indicator is present.

Note 13 Trade and Other Payables

	31 December 2020 \$'000	31 December 2019 \$'000
Trade payables	11,459	8,993
Accruals and other payables	17,919	18,696
Trade and other payables	29,378	27,689

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

Recognition and measurement

These amounts represent liabilities for goods and services provided to the Group prior to the end of the year which are unpaid. The amounts are unsecured and usually paid within 30 to 45 days of recognition.

Note 14 Provisions

	31 December 2020			31 December 2019		
	Current \$'000	Non-current \$'000	Total \$'000	Current \$'000	Non-current \$'000	Total \$'000
Employee entitlements	2,709	1,218 ¹	3,927	1,165	1,152	2,317
Rehabilitation	-	24,223	24,223	-	25,050	25,050
Provisions	2,709	25,441	28,150	1,165	26,202	27,367

¹ Represents long service leave entitlements expected to be settled beyond 12 months of the reporting date

(a) Movements in provisions

Movements in each class of provision during the year are set out below:

	31 December 2020			31 December 2019		
	Employee Entitlements \$'000	Rehabilitation \$'000	Total \$'000	Employee Entitlements \$'000	Rehabilitation \$'000	Total \$'000
Opening balance	2,317	25,050	27,367	2,357	18,121	20,478
Additional provisions recognised	2,092	(1,230)	862	433	6,448	6,881
Unwinding of discount	-	403	403	-	481	481
Amounts used during the year	(482)	-	(482)	(473)	-	(473)
Closing balance	3,927	24,223	28,150	2,317	25,050	27,366

(b) Information about individual provisions and significant estimates

(i) Employee entitlements

The provision for employee benefits relates to the Group's liability for long service leave and annual leave.

(ii) Rehabilitation

Rehabilitation costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and restoration of the site in accordance with the requirements of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology.

The provision for rehabilitation has been recorded initially as a liability at fair value, assuming a risk-free nominal discount rate of 2.5% at 31 December 2020 (31 December 2019: 1.61%) and an inflation factor of 2.5% (31 December 2019: 2.5%).

Recognition and measurement

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits are recognised in other payables, and annual leave expected to be settled within 12 months of the reporting date is recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future salaries, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Rehabilitation

When an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to its present location, the costs of rehabilitation are recognised in full at present value as a non-current liability, and an equivalent amount is capitalised as a part of the cost of the asset.

The capitalised cost is amortised over the life of the project and the provision is accreted periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as a finance cost.

Any changes in the estimates for the costs or other assumptions against the cost of relevant assets are accounted for on a prospective basis.

Critical accounting estimates and judgements

The Group assesses its mine rehabilitation provision annually. Significant judgement is required in determining the provision for mine rehabilitation and closure as there are many factors that will affect the ultimate liability payable to rehabilitate the mine sites, including future disturbances caused by further development, changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plans and changes in discount rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which the change becomes known.

Capital and Financial Risk Management**Note 15 Financial Risk Management**

Risk management is carried out at a corporate level under policies approved by the Board who maintain overall responsibility for the establishment and oversight of the risk management framework. The Audit Committee is responsible for developing and monitoring financial risk management policies. The Committee reports regularly to the Board on its activities.

The Group's financial risk management policies are established to identify and analyse the financial risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and commodity price risk), credit risk and liquidity risk. The Group's exposure to these risks and how these risks could affect the Group's future financial performance is detailed below.

(a) Categories of financial instruments

	31 December 2020 \$'000	31 December 2019 \$'000
Financial assets		
Cash and cash equivalents	126,387	101,332
Trade and other receivables	4,280	1,095
Other financial assets	2,415	659
Financial liabilities		
Trade and other payables	29,378	27,689
Borrowings	-	78,508
Lease liabilities	115,982	121,867
Other financial liabilities	12,642	15,465

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

(i) Foreign exchange risk

At reporting date, the Group has minimal exposure to foreign currency risk. The Group's operations are all located within Australia and material transactions are denominated in Australian dollars, the Group's functional currency.

(ii) Interest rate risk

The Group's income and operating cash flows are exposed to changes in market interest rates in respect of interest bearing assets. These assets are a combination of cash balances on hand which earn interest at variable interest rates and interest bearing term deposits which mitigate variable interest rate risk.

At the reporting date the interest profile of the Group's interest bearing financial instruments was as follows:

	31 December 2020 \$'000	31 December 2019 \$'000
Fixed rate instruments		
Cash at bank - short term deposits	30,000	-
Lease liabilities	(115,982)	(121,867)
Variable rate instruments		
Cash at bank - at call	96,387	101,332
Borrowings	-	(78,508)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	31 December 2020 \$'000	31 December 2019 \$'000
Interest Revenue		
Increase 1.0% (2019:1.0%)	964	1,013
Decrease 1.0% (2019:1.0%)	(964)	(1,013)
Interest Expense		
Increase 1.0% (2019:1.0%)	-	804
Decrease 1.0% (2019:1.0%)	-	(804)

(iii) Commodity price risk

The Group's exposure to commodity price risk arises largely from Australian dollar gold price fluctuations. The Group is exposed to commodity price risk due to the sale of gold on physical delivery at prices determined by markets at the time of sale. The Group manages commodity price risk as follows:

Forward sales contracts

Gold price risk is managed through the use of forward sales contracts which effectively fix the Australia dollar gold price and thus provide cash flow certainty.

At the reporting date, the Group had executed 73,080 ounces of Australian dollar denominated gold forward sales contracts which were held to be delivered over the next 23 months at an average of \$1,857 per ounce.

Of these, 18,400 ounces are forward contract derivatives held for trading and accounted for at fair value through profit or loss. For derivatives classified as held for trading, a mark-to-market valuation is performed on the remaining undelivered ounces, with any changes in the fair value recognised in profit or loss. They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

The remaining 54,680 ounces are forward contract derivatives accounted for using the 'own use exemption'. All associated revenue is recognised in the profit or loss on the delivery date.

The following table reflects the impact on profit after tax relating to the 18,400 ounces of forward contract derivatives held for trading, of a 10% change in the Australia dollar gold price which was \$2,467 per ounce at 31 December 2020 (31 December 2019: \$2,161 per ounce):

	31 December 2020		31 December 2019	
	10% Increase \$'000	10% Decrease \$'000	10% Increase \$'000	10% Increase \$'000
(Increase)/decrease in profit or loss after tax	(3,178)	3,178	(6,278)	6,278

Put options

Gold price risk is also managed with the purchase of gold put options to establish gold 'floor prices' in Australian dollars over the Group's gold production; however, this is generally at levels lower than current market prices. These put options enable Gold Road to retain full exposure to current, and any future rises in the gold price while providing protection against a fall in the gold price below the strike price. Gold put options are marked to market at fair value through profit and loss.

At the reporting date, the Group had executed 15,000 ounces of Australian dollar denominated put options with maturity dates over the next 9 months and a strike price of \$1,800 per ounce.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash at bank and deposits. The carrying amount of financial assets represents the maximum credit exposure.

The Group has adopted the policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Cash is deposited only with institutions approved by the Board. The Group has determined that it currently has no significant exposure to credit risk as at the reporting date.

(i) Cash and cash equivalents

At the reporting date, the Group held significant cash and cash equivalents. The cash and cash equivalents are held with bank and financial institution counterparties, all of which have investment grade ratings as determined by a reputable credit rating agency e.g. Standard & Poor's.

(ii) Trade and other receivables

The Group's trade and other receivables at the reporting date relates to prepayments, GST receivable from the Australian Taxation Office and interest receivable. The risk of non-recovery of receivables from these sources is considered to be minimal.

In determining the recoverability of trade and other receivables, the Group performs a risk analysis considering the type and age of the outstanding receivable and the creditworthiness of the counterparty. If appropriate, an impairment loss will be recognised in profit or loss. The Group does not have any impaired Trade and Other Receivables as at 31 December 2020 (31 December 2019: Nil).

(d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by monitoring immediate and forecasted cash requirements and ensures adequate cash reserves are maintained to pay debts as and when due.

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid financial resources to finance the Group's current development activities and future operations, and consideration is given to the liquid assets available to the Group before commitment is made to future expenditure or investment.

(i) Financing arrangements

Financing arrangements comprise of a \$250 million Revolving Corporate Facility and a Gold Hedging Arrangement with a syndicate comprising ING Bank Australia, National Australia Bank and Société Générale (Sydney Branch), ANZ Bank and BNP Paribas. The \$100 million Tranche A matures in February 2023, while the \$150 million Tranche B matures in September 2024. As at 31 December 2020 the facility remained undrawn (31 December 2019: \$75.508 million drawn)

The Group leases a gas pipeline, power facilities, mine equipment, mine infrastructure and office premises. Refer to Note 17.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(iii) Contractual maturities of financial liabilities

	Less than one year \$'000	Between one and five years \$'000	More than five years \$'000	Contractual cash flows \$'000	Carrying amount \$'000
31 December 2020					
Trade and other payables	29,378	-	-	29,378	29,378
Borrowings ¹	-	-	-	-	-
Lease liabilities	13,724	59,547	69,058	142,329	115,982
Other financial liabilities	8,174	4,468	-	12,642	12,642
	51,276	64,015	69,058	184,349	158,002
31 December 2019					
Trade and other payables	27,689	-	-	27,689	27,689
Borrowings	52,196	32,082	-	84,278	78,508
Lease liabilities	12,867	61,106	78,242	152,215	121,867
Other financial liabilities	10,814	4,651	-	15,465	15,465
	103,566	97,839	78,242	279,647	243,529

¹ During the year the Company made additional drawings then subsequently fully repaid total borrowings of \$130.419 million. The loan facility has remained undrawn since July 2020

(e) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to maintain sufficient working capital for exploration, development and production assets.

The Group monitors the adequacy of capital by analysing cash flow forecasts for each of its operating segments. Appropriate capital levels are maintained to ensure that all approved expenditure programs are adequately funded.

(f) Dividends

No dividend was paid during the financial year. Subsequent to 31 December 2020, on 9 March 2021 the Directors determined to pay a dividend of 1.5 cents per fully paid ordinary share, fully franked, for an amount of \$13.20 million. The aggregate amount of the proposed dividend is expected to be paid on 14 April 2021 out of retained earnings at 31 December 2020, and has not been recognised as a liability at the end of the year.

Recognition and measurement

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

(i) Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income (**FVOCI**); or fair value through profit or loss (**FVTPL**). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (**OCI**). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(ii) Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at fair value through other comprehensive income

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is measured at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

(iv) Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(v) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Fair value measurements

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 - Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

The fair value of gold forward sales contracts would be recognised as a Level 2 in the fair value hierarchy, using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Note 16 Borrowings

	31 December 2020 \$'000	31 December 2019 \$'000
Borrowings - current	-	49,553
Borrowings - non-current	-	28,955
	-	78,508

During the year, the Revolving Corporate Facility was increased by \$150 million (Tranche B) with a syndicate comprising ING Bank Australia, National Australia Bank and Société Générale (Sydney Branch), ANZ Bank and BNP Paribas (Tranche B), taking total loan facilities to \$250 million. The \$100 million Tranche A matures in February 2023, while the \$150 million Tranche B matures in September 2024. As at 31 December 2020 the facility remained undrawn (31 December 2019: \$78.508 million drawn)

In the prior year borrowings were disclosed net of transaction costs. Transaction cost are amortised over the life of the facility. With the debt facility having been repaid in full as at 31 December 2020 the unamortised balance of loan establishment fees have been reclassified to Other Financial Assets.

These facilities are secured by first ranking securities over the assets of the Group or second ranking securities in respect of assets in the Gruyere Project, as disclosed in Note 9.

Recognition and measurement

Interest bearing borrowings are initially measured at fair value, net of directly attributable transaction costs. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest rate method.

Note 17 Lease Liabilities

	31 December 2020 \$'000	31 December 2019 \$'000
Lease liabilities - current	9,695	8,572
Lease liabilities - non-current	106,287	113,295
	115,982	121,867

The lease liabilities relate to the gas pipeline, power facilities, mine infrastructure and equipment contracts, and office premises.

Lease liabilities (including interest yet to be incurred) are payable as follows:

	Contractual undiscounted lease payments	
	2020 \$'000	2019 \$'000
Less than one year	13,724	12,867
Between one and five years	59,547	61,106
More than five years	69,058	78,242
	142,329	152,215

Recognition and measurement

(i) Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost and subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Changes in significant accounting policies

The Group adopted AASB 16 Leases from 1 January 2019.

AASB 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Group applied AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019.

Note 18 Other Financial Liabilities

	31 December 2020 \$'000	31 December 2019 \$'000
Current		
Gold forward sales contracts	8,174	10,814
Other financial liabilities - current	8,174	10,814
Non-Current		
Gold forward sales contracts	4,468	4,651
Other financial liabilities- non-current	4,468	4,651

At the reporting date, the Group has gold forward sales contracts denominated in Australian dollars totalling 18,400 ounces which are adjusted for the mark-to-market valuation through the profit and loss performed at each reporting period.

For the details on the remaining 54,680 ounces of gold forward sales contracts accounted for using the 'own use exemption' under AASB 9 Financial Instruments, refer to Note 31 (b).

Recognition and measurement

For details on the recognition and measurement of financial instruments refer to Note 4(c).

Note 19 Contributed Equity

(a) Share capital

	31 December 2020 Number	31 December 2019 Number	31 December 2020 \$'000	31 December 2019 \$'000
Ordinary shares	879,924,748	878,901,849	203,949	203,949
Total share capital	879,924,748	878,901,849	203,949	203,949

(b) Movements in ordinary shares during the year

	Number of shares (thousands)	Total \$'000
Opening balance	878,902	203,949
Performance Rights exercised	1,023	-
Closing balance	879,925	203,949

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital. The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

(d) Performance Rights

Information relating to the Plan, including details of Performance Rights issued, exercised and lapsed during the year and Performance Rights outstanding at the end of the financial year, is set out in Note 27.

Recognition and measurement

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Note 20 Reserves and Retained Earnings

(a) Equity remuneration reserve

	31 December 2020 \$'000	31 December 2019 \$'000
Opening balance	2,661	1,820
Transfer to retained earnings	(976)	(1,054)
Net movements in Performance Rights	1,677	1,895
Tax effect on Share-Based payments	260	-
Closing balance	3,622	2,661

Nature and purpose of Equity Remuneration Reserves

The equity remuneration reserve is used to recognise the cumulative expense recognised in respect of Performance Rights granted. Refer to Note 27 for further information.

(b) Fair value reserve

	31 December 2020 \$'000	31 December 2019 \$'000
Opening balance	(580)	(506)
Transfer from/(to) fair value reserve	580	(74)
Closing balance	-	(580)

Nature and purpose of Fair Value Reserve

The fair value reserve is used to recognise the cumulative change in fair value of investments measured at fair value through other comprehensive income.

(c) Retained earnings

	31 December 2020 \$'000	31 December 2019 \$'000
Opening balance	130,102	133,703
Profit/(loss) for the year	80,818	(4,655)
Transfer from equity remuneration reserve	976	1,054
Closing balance	211,896	130,102

Note 21 Dividends

Subsequent to 31 December 2020, on 9 March 2021 the Directors determined to pay a dividend of 1.5 cents per fully paid ordinary share, fully franked, for an amount of \$13.20 million. The aggregate amount of the proposed dividend is expected to be paid on 14 April 2021 out of retained earnings at 31 December 2020, and has not been recognised as a liability at the end of the year.

Franking credits available to Gold Road shareholders as at 31 December 2020 was \$66,226,590 (31 December 2019: \$66,226,590), which are available for distribution in subsequent financial years subject to the Board determining to pay dividends.

Other Information

Note 22 Income Tax and Deferred Tax

	31 December 2020	31 December 2019
	\$'000	\$'000
(a) Income tax (benefit)/expense		
Current tax	7,336	508
Deferred tax	26,286	(1,068)
Adjustment for prior period (deferred tax)	(970)	-
	32,652	(560)
(b) Numerical reconciliation of income tax (benefit)/expense to prima facie tax payable		
Profit/(loss) before income tax	113,470	(5,215)
Income tax expense/(benefit) calculated at 30% (2019: 30%)	34,041	(1,565)
Non-deductible expenses	94	578
Deductible expenses	(31)	-
Adjustment for deferred tax impact of share-based payments	(482)	-
Prior period adjustments	(970)	426
Income tax expense/(benefit)	32,652	(560)
(c) Amounts recognised directly in equity		
Deferred tax: share-based payments	(260)	-
(d) Recognised deferred tax balances		
Deferred tax assets	14,732	36,655
Deferred tax liabilities	(28,895)	(25,761)
Net deferred tax (liabilities)/assets	(14,163)	10,894
Deferred tax liabilities		
Exploration expenditure	(3,219)	(3,022)
Mine development expenditure	(17,854)	(22,114)
Property, plant and equipment	(5,791)	1,012
Leases	(511)	(866)
Inventories	(1,020)	-
Other deferred tax liabilities	(500)	(771)
Gross deferred tax liabilities	(28,895)	(25,761)
Set-off of deferred tax assets	14,732	25,761
Net deferred tax liabilities	(14,163)	-
Deferred tax assets		
Provisions, trade and other payables	12,712	12,972
Expenses deductible over time	1,129	177
Share-based payments	891	-
Tax losses carried forward	-	23,506
Gross deferred tax assets	14,732	36,655
Set off of deferred tax liability	(14,732)	(25,761)
Net deferred tax assets	-	10,894
(e) Unrecognised deferred tax balances		
Temporary differences	-	1,200
Gross deferred tax assets unrecognised	-	1,200

Tax Losses

Effective 1 January 2017, the Company made an election to form a tax consolidated group, comprising all of its wholly owned subsidiaries. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Gold Road Resources Limited.

At 31 December 2020 the Company had tax losses of Nil (2019: \$78.353 million).

Recognition and measurement

(i) Income tax

The income tax expense or benefit for the year is the tax payable or receivable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary timing differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Critical accounting estimates and judgements

The Group is subject to income taxes in Australia. Significant judgement is required in determining the provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Judgement is required to determine whether deferred tax assets are recognised in the balance sheet. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the group will generate sufficient taxable earnings in the future periods in order to recognise and utilise those deferred tax assets. Judgement is also required in respect of the expected manner of recovery of the value of an asset or liability (which will then impact the quantum of the deferred tax assets or deferred tax liabilities recognised) and the application of existing laws in each jurisdiction.

Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws in each jurisdiction. These assessments require the use of estimates and assumptions such as exchange rates, commodity prices and operating performance over the life of the assets. To the extent that cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets reported at the reporting date could be impacted.

Additionally, future changes in tax laws could limit the ability of the group to obtain tax deductions and recover/utilise deferred tax assets in future periods.

Note 23 Interests in Other Entities

(a) Subsidiaries

The Group's subsidiaries at 31 December 2020 are set out below. The Consolidated Financial Statements incorporate the assets, liabilities and results of the following principal subsidiaries:

Name	Principal place of business	Ownership interest	
		31 December 2020	31 December 2019
		%	%
Gold Road (Gruyere) Pty Ltd	Australia	100	100
Gold Road (Gruyere Holdings) Pty Ltd	Australia	100	100
Gold Road (North Yamarna) Pty Ltd	Australia	100	100
Gold Road (North Yamarna Holdings) Pty Ltd	Australia	100	100
Gold Road (South Yamarna) Pty Ltd	Australia	100	100
Gold Road (South Yamarna Holdings) Pty Ltd	Australia	100	100
Gold Road (Projects) Pty Ltd	Australia	100	100
Gold Alpha Investments Pty Ltd	Australia	100	-
Craton Funds Pty Ltd	Australia	100	-

The above subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

(b) Joint operations

Name	Principal activity	Principal place of business	Ownership interest	
			31 December 2020	31 December 2019
			%	%
Gruyere Unincorporated Joint Venture	Exploration & Production	Australia	50	50
Yandina Unincorporated Joint Venture	Exploration	Australia	89.9	75
Lake Grace Unincorporated Joint Venture	Exploration	Australia	87.2	51

(i) Gruyere Joint Operation

On 13 December 2016, the Company entered into the Gruyere JV with a wholly owned subsidiary of Gold Fields with the objective of developing and operating the Gruyere Project in Western Australia. The joint venture is a contractual arrangement between participants for the sharing of costs and outputs. It does not in itself generate revenue and profit and is not structured through a separate vehicle. Management have classified the arrangement as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses. Gold Fields is manager of the joint venture and in 2020 delegated responsibility for managing all exploration activities to Gold Road.

(ii) Yandina Joint Operation

On 16 March 2018 the Group entered into the Yandina Joint Venture with Cygnus, on a 75% Group and 25% Cygnus ownership basis. On 26 August 2020 Cygnus elected to dilute its participating interest to 10.1%. As at 31 December 2020, the Group has a 89.9% interest in the Yandina Joint Venture. Gold Road became manager of the joint venture on 1 October 2020.

(iii) Lake Grace Joint Operation

On 30 April 2019, the Group earned a 51% interest by spending \$700,000 under the Lake Grace Earn-in Agreement and formed the Lake Grace Joint Venture. Following this initial earn-in, the Group committed a further \$500,000 (\$1.2 million in aggregate) within 18 months to earn a further 24% interest (75% in total). On 2 April 2020 Cygnus elected to cease contributions to the 2020 Budget thereby diluting their interest in the joint venture. As at 31 December 2020, the Group had a 87.2% interest in the Lake Grace Joint Venture. Gold Road became manager of the joint venture on 1 October 2020.

Recognition and measurement

(a) Basis of consolidation

The financial statements incorporate, where considered material, all of the assets, liabilities and results of the parent and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation.

(b) Joint arrangements

Under AASB 11: Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement in which the parties with joint control have rights to the assets and obligations for the liabilities relating to that arrangement.

(c) Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Note 24 Deed of Cross Guarantee

Pursuant to ASIC Instrument 2016/785, wholly-owned controlled entities Gold Road (Gruyere Holdings) Pty Ltd and Gold Road (Gruyere) Pty Ltd are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of its financial reports and director's report.

It is a condition of the Class Order that the Company and each of its eligible controlled entities enter into a Deed of Cross Guarantee. Effective from December 2019, Gold Road Resources Ltd, Gold Road (Gruyere Holdings) Pty Ltd and Gold Road (Gruyere) Pty Ltd entered into a Deed of Cross Guarantee and formed the Closed group.

The effect of the Deed is that Gold Road Resources Limited has guaranteed to pay any deficiency in the event of winding up of the abovementioned controlled entities under certain provisions of the Corporations Act 2001. Gold Road (Gruyere Holdings) Pty Ltd and Gold Road (Gruyere) Pty Ltd have also given a similar guarantee in the event that Gold Road Resources Limited is wound up.

A Consolidated Statement of Comprehensive Income and Consolidated Balance Sheet comprising the Closed group which are parties to the Deed of Cross Guarantee, after eliminating all transactions between parties to the Deed is set out below.

Closed Group Statement of Comprehensive Income

For the year ended 31 December 2020

	12 months ended 31 December 2020	1 month ended 31 December 2019
	\$'000	\$'000
Sales revenue	294,650	21,990
Cost of sales	(155,992)	(14,145)
Gross profit	138,658	7,845
Other income		
Other income	10,195	-
Fair value gain on derivatives	2,422	1,521
Total other income	12,617	1,521
Exploration expenditure	(787)	(16)
Corporate and technical services	(12,870)	(1,125)
Impairment of assets	-	(7,358)
Profit before finance and income tax	137,618	867
Finance income	480	79
Finance expenses	(15,363)	(721)
Profit before income tax	122,735	225
Income tax expense	(41,003)	(1,433)
Profit/(loss) for the year	81,732	(1,208)
Other comprehensive profit/(loss) for the year	-	-
Total comprehensive profit/(loss) for the year	81,732	(1,208)

Closed Group Statement of Financial Position

For the year ended 31 December 2020

	31 December 2020	31 December 2019
	\$'000	\$'000
ASSETS		
Current assets		
Cash and cash equivalents	126,074	101,332
Trade and other receivables	7,088	2,964
Other financial assets	874	85
Inventories	23,376	18,292
Total current assets	157,412	122,673
Non-current assets		
Property, plant and equipment	333,886	456,123
Right-of-use assets	117,411	-
Exploration and evaluation	8,374	7,648
Other financial assets	107,377	357
Deferred tax asset	-	21,858
Total non-current assets	567,048	485,986
TOTAL ASSETS	724,460	608,659
LIABILITIES		
Current liabilities		
Trade and other payables	29,378	27,689
Provisions	2,709	1,165
Borrowings	-	49,553
Lease liabilities	9,695	8,572
Current tax liabilities	7,336	-
Other financial liabilities	8,174	10,814
Total current liabilities	57,292	97,793
Non-current liabilities		
Provisions	25,440	26,202
Borrowings	-	28,955
Lease liabilities	106,287	113,295
Deferred tax liabilities	11,788	-
Other financial liabilities	119,438	21,869
Total non-current liabilities	262,953	190,321
TOTAL LIABILITIES	320,245	288,114
Net assets	404,215	320,545
EQUITY		
Contributed equity	203,949	203,949
Reserves	3,622	2,660
Retained earnings	196,644	113,936
TOTAL EQUITY	404,215	320,545

Note 25 Parent Entity Financial Information

The following details information relating to the parent entity, Gold Road Resources Limited, at 31 December 2020.

(a) Result of parent entity

	12 months ended 31 December 2020 \$'000	12 months ended 31 December 2019 \$'000
Loss for the year	(26,557)	(56,405)
Other comprehensive loss	-	-
Total comprehensive loss for the year	<u>(26,557)</u>	<u>(56,405)</u>

(b) Financial position of parent entity

	31 December 2020 \$'000	31 December 2019 \$'000
Current assets	118,406	34,926
Total assets	<u>799,042</u>	<u>784,443</u>
Current liabilities	12,285	3,571
Total liabilities	<u>125,068</u>	<u>85,850</u>

(c) Total equity of parent entity

	31 December 2020 \$'000	31 December 2019 \$'000
Contributed equity	203,949	203,949
Reserves	3,622	2,660
Retained earnings	466,403	491,984
Total equity	<u>673,974</u>	<u>698,593</u>

(d) Guarantees entered into by the parent entity

Refer to Note 30.

(e) Contingent liabilities of the parent entity

Other than as disclosed in Note 30, the parent entity has no contingent liabilities as at 31 December 2020.

(f) Contractual commitments for the acquisition of property, plant or equipment

The parent entity has no contractual commitments for the acquisition of property, plant or equipment as at 31 December 2020.

Note 26 Related Party Transactions**(a) Parent entities**

The ultimate parent entity within the Group is Gold Road Resources Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 23.

(c) Compensation for Key Management Personnel

	12 months ended 31 December 2020 \$	12 months ended 31 December 2019 \$
Short-term employee benefits	1,581,912	1,413,635
Post-employment benefits	65,353	58,886
Share-based payments	762,706	917,243
Total compensation	<u>2,409,971</u>	<u>2,389,764</u>

Detailed remuneration disclosures are provided in the Remuneration Report on pages 42 to 53.

(d) Transactions with other related parties

The following transactions occurred with related parties:

	31 December 2020 \$	31 December 2019 \$
Management fees received/(paid)	77,568	(51,840)

(e) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31 December 2020	31 December 2019
	\$	\$
Current receivables		
Other receivables - Gruyere Management Pty Ltd	173,894	311,025
Current payables		
Other payables - Cygnus	-	35,840
Other payables - Gruyere Management Pty Ltd	36,759	226,066

Other current receivables and the current payables have no formal repayment terms. Each party's obligations are secured over the assets in the Gruyere Project.

(f) Loans made to related parties

No loans were made to related parties, Directors or any other senior personnel, including personally related entities during the reporting period.

(g) Terms and conditions

All related party transactions were made on normal commercial terms and conditions and at market rates.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

Note 27 Share-Based Payments

(a) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	12 months ended 31 December 2020	12 months ended 31 December 2019
	\$'000	\$'000
Expenses arising from equity settled share-based payment transactions	1,677	1,895
	1,677	1,895

(b) Types of share-based payment plans

The 2017 Plan was established and approved by shareholders at the AGM held on 18 November 2013, and was amended and approved by shareholders at the AGM held on 17 November 2017. The 2020 Plan was established and approved by shareholders at the AGM held on 28 May 2020. The 2017 and 2020 Plans provides for Performance Rights as detailed below.

Performance Rights

Performance Rights to be issued under the Plan have varying vesting periods as determined by the Board at the date of grant, except under certain circumstances whereby Performance Rights may be capable of exercise prior to the expiry of the vesting period. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits. Unless the Board determines otherwise in its absolute discretion, the Performance Rights of any participant in the scheme lapse where the relevant person ceases to be an employee or Director of the Company.

(c) Performance Rights

The following table illustrates the number of, and movements in, Performance Rights during the year.

	31 December 2020	31 December 2019
	Number	Number
Outstanding at the beginning of the year	5,219,037	6,017,351
Performance Rights granted (i)	2,828,006	3,117,585
Performance Rights exercised (ii)	(1,022,899)	(1,403,575)
Lapsed/cancelled during the year	-	(893,153)
Forfeited during the year	(199,127)	(1,619,171)
Outstanding at the end of the year (iii)	6,825,017	5,219,037
Vested and exercisable at the end of the year	-	-

(i) Performance Rights granted during the year

Number of Performance Rights Granted	Incentive Plan	Fair Value at Grant Date	Grant Date	Performance Period End Date ¹
536,866	STI 2019 ²	\$1.495 ²	30 January 2020	31 December 2019
1,885,626	LTI 2020-2022 ²	\$1.720 ²	28 May 2020	31 December 2022
405,514	LTI 2020-2022 ³	\$1.350 ³	28 May 2020	31 December 2022
2,828,006	Total Performance Rights granted during the year			

¹ Subsequent to the performance period end date, the Board determines the number of Performance Rights that vest

² Performance Rights granted subject to non-market based performance conditions had their values verified using a Black-Scholes pricing model

³ Performance Rights granted subject to market based performance conditions had their values verified using a Monte Carlo simulation

(ii) Performance Rights exercised during the year

Number of Performance Rights Exercised	Incentive Plan	Grant Date	Performance Period End Date	Vesting Date
275,000	Onboarding	29 May 2019	1 January 2020	1 January 2020
202,329	Employee Retention	8 September 2018	30 June 2020	28 July 2020
8,704	Employee Retention	22 July 2018	30 June 2020	10 September 2020
536,866	STI 2019	30 January 2020	31 December 2019	30 January 2020
1,022,899	Total Performance Rights exercised			

(iii) As at the balance date unissued ordinary shares of the Company under Performance Rights are:

Outstanding	Incentive Plan	Grant Date	Performance Period End Date ¹
500,638	LTI 2017-2020	17 November 2017	31 December 2020
374,826 ²	LTI 2017-2020	17 November 2017	31 December 2020
813,667	LTI 2018-2020	25 May 2018	31 December 2020
380,273 ²	LTI 2018-2020	25 May 2018	31 December 2020
425,101	Employee Retention	24 July 2018	1 July 2021
926,671	LTI 2019-2021	29 May 2019	31 December 2021
1,201,290 ³	LTI 2019-2021	29 May 2019	31 December 2021
1,244,635	LTI 2020-2022	28 May 2020	31 December 2022
957,916 ⁴	LTI 2020-2022	28 May 2020	31 December 2022
6,825,017	Total Performance Rights outstanding		

¹ Subsequent to the end of the performance period end date, the Board determines the number of Performance Rights that vest

² Represents Performance Rights issued to Executive Directors. The key vesting conditions and performance conditions are that the holders must remain employed until 31 December 2020, 50% of the Performance Rights will vest and convert over a three year measurement period to 31 December 2020 based on meeting market based performance criteria, and 50% will vest on meeting non-market performance conditions by 31 December 2020

³ Represents Performance Rights issued to Executive Directors. The key vesting conditions and performance conditions are that the holders must remain employed until 31 December 2021. Of these Performance Rights, 35% will vest and convert over a three year measurement period to 31 December 2021 based on meeting market based performance criteria and 68.7% will vest on meeting non-market performance conditions by 31 December 2021 (which includes provision for a stretch of 125% of the 15% EPS metric resulting in a stretch weighting of 18.7% for this metric)

⁴ Represents Performance Rights issued to Executive Directors. The key vesting conditions and performance conditions are that the holders must remain employed until 31 December 2022. Of these Performance Rights, 25% will vest and convert over a three year measurement period to 31 December 2022 based on meeting market based performance criteria, 116.3% will vest on meeting non-market performance conditions by 31 December 2022 (which includes provision for a stretch of 125% of the 25% EPS metric resulting in a stretch weighting of 31.3%, provision for a stretch of 200% of the 25% Growth metric resulting in a stretch weighting of 50%, and provision for stretch of 140% of the 25% Gruyere optimisation metric resulting in a stretch weighting of 35%)

(iv) Weighted average remaining contractual life

The weighted average remaining contractual life for the Performance Rights outstanding as at 31 December 2020 is 1.67 years (31 December 2019: 2.40 years).

(v) Weighted average fair value

The weighted average fair value of the Performance Rights granted during the year was 162.42 cents.

(vi) Fair value of Performance Rights granted

The fair value of Performance Rights allocated as part of the STIs are valued by multiplying the underlying market value at grant date of the ordinary shares over which they are granted. The fair value of Performance Rights allocated as part of the LTIs are valued using a Monte Carlo simulation for rights with market based vesting conditions and Black-Scholes pricing model for rights with non-market based vesting conditions.

The following table lists the inputs to the models used for Performance Rights granted as LTIs during the year ended 31 December 2020:

	Tranche A/B/D ¹	Tranche C ²
Underlying share price at measurement date	\$1.720	\$1.720
Exercise price	Nil	Nil
Grant date	28 May 2020	28 May 2020
Life of the Rights (years)	3.00	3.00
Vesting period (years)	2.59	2.59
Volatility	55%	55%
Risk-free rate	0.26%	0.26%
Valuation per Right	\$1.720	\$1.350

¹ Performance Rights granted subject to non-market based performance conditions had their values verified using a Black-Scholes pricing model

² Performance Rights granted subject to market based performance conditions had their values verified using a Monte Carlo simulation

The expected price volatility is based on the historic volatility (based on the remaining life of the Performance Right), adjusted for any expected changes to future volatility due to publicly available information.

Recognition and measurement

Share-based compensation payments are made available to Directors and employees.

The fair value of Share Options at grant date is determined using a Black-Scholes pricing model that takes into account the exercise price, the term of the instrument, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the instrument.

The fair value of Performance Rights allocated as part of the STIs are valued by multiplying the underlying market value at grant date of the ordinary shares over which they are granted. The fair value of Performance Rights allocated as part of the LTIs are valued using a Monte Carlo simulation for rights with market based vesting conditions and Black-Scholes pricing model for rights with non-market based vesting conditions.

The grant date fair value of any instrument granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the instrument. The amount recognised as an expense is adjusted to reflect the actual number of instruments that vest, however no adjustment is made where the rights fail to vest due to market conditions not being met.

The fair value of the instruments granted is adjusted to reflect market vesting conditions. Non-market vesting conditions are included in assumptions about the number of instruments that are expected to become exercisable. At each reporting date, the Company revises its estimate of the number of instruments that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Note 28 Remuneration of Auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	12 months ended 31 December 2020 \$	12 months ended 31 December 2019 \$
(a) Audit and other assurance services		
Audit and review of financial statements	140,745	134,405
Total remuneration for audit and other assurance services	140,745	134,405

	12 months ended 31 December 2020	12 months ended 31 December 2019
(b) Taxation services		
Tax advice and related services	43,414	70,054
Total remuneration for taxation services	43,414	70,054
(c) Other services		
Consulting and other services	-	14,053
Total remuneration for other services	-	14,053
Total remuneration of KPMG	184,159	218,512

It is the group's policy to employ KPMG on assignments additional to their statutory audit duties where their expertise and experience with the group are important. These assignments are principally tax advice and consulting services.

Note 29 New Standards and Interpretations

The group has adopted all of the new and revised *Standards and Interpretations* issued by the *Australian Accounting Standards Board (The AASB)* that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2020.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 report periods and have not been early adopted by the group. These accounting standards and interpretations are detailed below. The group has assessed that these new standards and interpretations will not have a material impact on the financial measurement, reporting, nor disclosures of the group's financial report.

ASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material

These amendments are intended to address concerns that the wording in the definition of 'material' was different in the Conceptual Framework for Financial Reporting, AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments address these concerns by:

- Replacing the term 'could influence' with 'could reasonably be expected to influence'.
- Including the concept of 'obscuring information' alongside the concepts of 'omitting' and 'misstating' information in the definition of material.
- Clarifying that the users to which the definition refers are the primary users of general purpose financial statements referred to in the Conceptual Framework.
- Aligning the definition of material across IFRS Standards and other publications.

Note 30 Contingencies

Contingent liabilities

Guarantees

The Company has provided bank guarantees in favour of various service providers in respect to contractual obligations and leased premises at 31 December 2020. The total of these guarantees at 31 December 2020 was \$93,763 with various financial institutions (31 December 2019: \$93,763).

The Group also has guarantees in relation to its joint venture commitments in favour of various service providers with respect to the supply of electricity and development of associated infrastructure for the joint venture. The Group's portion of these commitments at 31 December 2020 was \$27.5 million with various financial institutions (31 December 2019: \$37.5 million).

There were no other material contingent liabilities noted or provided for in the financial statements of the Group as at 31 December 2020.

Capital Commitments

During the year the Group has committed to a variation of the power facilities lease relating to the installation of an additional 4 MW gas engine, a 13 MW solar farm and 4.4 MW battery energy storage system. The total cost of the variation of \$17.516 million will be accounted for as a lease and will be repaid over the remaining period of the power facilities lease. The lease variation is expected to commence in mid-2021.

Note 31 Commitments**(a) Exploration expenditure commitments**

In order to maintain current rights of tenure to exploration tenements the Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. These obligations are not provided for in the financial report and are payable:

	31 December 2020	31 December 2019
	\$'000	\$'000
Within one year	5,638	5,290
	5,638	5,290

(b) Gold delivery commitments

	Gold for physical delivery oz ¹	Contracted sales price \$oz	Value of committed sales \$'000
Within one year	27,100	1,833	49,675
Later than one year but not later than five years	27,580	1,929	53,194
	54,680	1,881	102,869

¹ Forward contract derivatives accounted for using the 'own use exemption'. Refer Note 15.

Note 32 Significant Events after the Balance Date

Subsequent to the year ended 31 December 2020:

On 9 March 2021 the Directors determined to pay a dividend of 1.5 cents per fully paid ordinary share, fully franked, for an amount of \$13.20 million. The aggregate amount of the proposed dividend is expected to be paid on 14 April 2021 out of retained earnings at 31 December 2020, and has not been recognised as a liability at the end of the year.

Other than as noted above, there has not arisen in the interval between the end of the year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Directors' Declaration

In the opinion of the directors of Gold Road Resources Limited:

- (a) the Consolidated Financial Statements and Notes that are set out on pages 56 to 91 and the Remuneration Report on pages 42 to 53 in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 24 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 24.
- (d) The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Director and CEO, and General Manager - Finance for the year ended 31 December 2020.
- (e) The Directors draw attention to Note 2 to the Consolidated Financial Statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors, on behalf of the Board.

Signed at Perth this 9th day of March 2021.



Tim Netscher
Non-executive Chairman

Independent Auditor's Report



Independent Auditor's Report

To the shareholders of Gold Road Resources Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Gold Road Resources Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 31 December 2020 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2020.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies.
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at year's end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current year.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Revenue Recognition	
Refer to Note 4 of the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The Group generates revenue predominantly from the sale of gold. The Group recognised sales revenue of \$294,650,000 for the year (2019: \$75,444,000).</p> <p>Revenue recognition is considered to be a key audit matter given the significance of revenue to the Group's results as well as the fraud risk around cut-off including:</p> <ul style="list-style-type: none"> • An overstatement of revenues through premature revenue recognition or recording of fictitious revenues. • Revenue not being recognised when control is transferred to the customer, resulting in revenue not being recognised in the correct accounting period. <p>Revenue is recognised when control is transferred to the buyer and the amount of revenue can be reliably determined.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the Group's processes for revenue and testing the key controls. • Testing all gold sales transactions during the year to invoice from the Perth Mint or hedging agreements. • Assessing the Group's policies for recognition of revenue against the requirements of the accounting standards and checked these were adequately disclosed in the financial statements. <p>Our sales cut-off procedures focused on sales in December 2020 and January 2021, testing a sample of transactions to underlying documentation and assessing the period in which they were recognised.</p>
Other Information	

Other Information is financial and non-financial information in Gold Road Resources Limited's reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*.
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- Assessing the Group's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Gold Road Resources Limited for the year ended 31 December 2020, complies with *Section 300A* of the *Corporations Act 2001*.

KPMG

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in the Directors' report for the year ended 31 December 2020.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

Graham Hogg

Partner

Perth

9 March 2021

Shareholder Information

Pursuant to the Listing Requirements of the ASX Limited, the shareholder information set out below was applicable as at 22 February 2021.

The Company has two classes of equity securities, being ordinary fully paid shares and performance rights.

Distribution of Equity Securities

Analysis of numbers of shareholders and Performance Rights holders by size of holding:

Distribution	Number of shareholders	Performance Rights holders
1 - 1,000	2,909	-
1,001 - 5,000	5,148	-
5,001 - 10,000	2,660	-
10,001 - 100,000	4,279	-
More than 100,000	566	13
TOTALS	15,562	13

There were 849 shareholders holding less than a marketable parcel of ordinary shares of \$500.

Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder Name	Issued Ordinary Shares	
	Number of shares	Percentage of shares
Van Eck Associates Corporation	109,457,589	12.44%
The Vanguard Group, Inc.	44,018,185	5.01%

Twenty Largest Shareholders

The names of the twenty largest holders of ordinary shares are listed below:

Shareholder Name	Ordinary Shares	
	Number	Percentage of Issued
HSBC Custody Nominees (Australia) Limited	308,283,205	35.04%
J P Morgan Nominees Australia Pty Limited	92,249,152	10.48%
Citicorp Nominees Pty Limited	84,718,076	9.63%
National Nominees Limited	12,536,878	1.42%
BNP Paribas Nominees Pty Ltd <DRP>	10,159,273	1.15%
BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	9,788,193	1.11%
Mr Robert James Brooks	9,616,375	1.09%
Kurraba Investments Pty Ltd	5,450,001	0.62%
Zenith Pacific Limited	5,000,000	0.57%
Mrs Oxana Vyacheslavovna Brooks	4,619,142	0.52%
Haifa Pty Ltd	2,857,583	0.32%
Weeroona Funds Pty Ltd <Baratops Super Fund A/C>	2,845,000	0.32%
Mrs Audrey Grace Gobbart	2,750,000	0.31%
HSBC Custody Nominees (Australia) Limited <NT-Commonwealth Super Corp A/C>	2,589,994	0.29%
BNP Paribas Nominees Pty Ltd <IB AU Nominees Retail Client DRP>	2,492,797	0.28%
CAZNA (Oxford 1) Limited + CAZNA (Oxford 2) Limited <The Oxford A/C>	2,371,857	0.27%
AMP Life Ltd	2,351,670	0.27%
Mr Kenneth Joseph Hall <Hall Park A/C>	2,306,697	0.26%
Nicholas Theobald Sibley + Sally Gay Sibley	2,150,000	0.24%
Vacenta Pty Ltd	2,120,000	0.24%
Total Top 20 Shareholders	567,255,893	64.47%
Balance of Share Register	312,668,855	35.53%
Total Share Register	879,924,748	100.00%

Unquoted Equity Securities

Class	Number	Number of Holders
Performance Rights issued under the 2017 Long Term Incentive Plan	218,865	6
Performance Rights issued under the 2018 Long Term Incentive Plan	298,480	9
Performance Rights issued under the 2018 Employee Retention Programme	425,101	5
Performance Rights issued under the 2019 Long Term Incentive Plan	2,127,961	10
Performance Rights issued under the 2020 Long Term Incentive Plan	2,202,551	13
Performance Rights issued under the 2020 Short Term Incentive Plan	438,545	13
TOTALS	5,711,503	13

Voting Rights

Ordinary shares: On a show of hands whereby each member present in person or by proxy shall have one vote, and upon a poll, each share will have one vote. **Performance rights:** No voting rights. **On-market buy-back.** There is no current on market buy-back of the Company's equity securities.

Glossary

§ Australian dollars, unless the context says otherwise.

AGM Annual General Meeting

ASX Australian Securities Exchange

ASX Corporate Governance Principles and Recommendations **Principles and Recommendations** (4th edition) of the ASX Corporate Governance Council on the corporate governance practices to be adopted governance practices to be adopted by ASX listed entities and which are designed to promote investor confidence and to assist listed entities to meet shareholder expectations

Au The chemical symbol for gold

Auditor The auditor of the Company duly appointed under the Corporations Act 2001

Australian Accounting Standards (AASB) Australian Accounting Standards are developed, issued, and maintained by the Australian Accounting Standards Board, an Australian Government agency under the Australian Securities and Investments Commission Act 2001 (Cth)

Board Board of Directors CEO Chief Executive Officer Company Gold Road Resources Limited ABN 13 108 289 527

Contractors Externally employed contracted workers engaged by the Company to support operations

Corporations Act Corporations Act 2001 (Cth)

Cygnus Cygnus Gold Limited

DMIRS Department of Mines, Industry Regulation and Safety

Director A director of the Company duly appointed under the Corporations Act

Employees Total number of employees of the Group including permanent, fixed term and part-time. Does not include Contractors

EPS Earnings per Share

FAI or First Aid Injury An injury requiring first aid treatment only and immediate return to work

FY20 Financial year ended 31 December 2020

FY21 Financial year ending 31 December 2021

g/t Grams per tonne

GIS geological information systems

Gold Fields Gold Fields Limited and its subsidiaries

Gold Road Gold Road Resources Limited and all its wholly owned subsidiaries

Group Gold Road Resources Limited and all its wholly owned subsidiaries

Gruyere Gruyere Gold Mine

Gruyere JV Gruyere Joint Venture

International Financial Reporting Standards (IFRS) A single set of accounting standards, developed and maintained by the IASB with the intention of those standards being capable of being applied on a globally consistent basis

Indicated Mineral Resource As defined in the JORC Code

Inferred Mineral Resource As defined in the JORC Code

International Organisation for Standardisation (ISO) The International Organisation for Standardisation is an independent, non-governmental organisation, and the world's largest developer of voluntary international standards. Its members comprise the national standards bodies of member countries that promotes proprietary, industrial and commercial standards around the world

JORC Code Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves 2012 Edition, prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia

Key Management Personnel or KMP Defined in the Australian Accounting Standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity

LTI or Lost Time Injury An injury, including occupational diseases, arising out of and during employment that results in time lost from work of one day/shift or more, following the day on which the injury occurred or a fatality.

LTIFR Lost Time Injury Frequency Rate; calculated based on the number of lost time injuries occurring in a workplace per 1 million hours worked

M or m Million

MCP Mine Closure Plan

Measured Mineral Resource As defined in the JORC Code

Mineral Resource As defined in the JORC Code

MTI or Medical Treatment Injury An injury including occupational diseases which require treatment that can only be administered by a medical practitioner. Medical treatment is where care is given by professional medical staff (Doctor, GP, Medical Specialist, etc) that is beyond the scope of a First Aider.

NPAT Net profit after tax

NWR or Non work-related injury An injury or illness that is not considered to be work related

Officer An officer of the Company defined under the Corporations Act

Ore Reserve As defined in the JORC Code

Probable Ore Reserve As defined in the JORC Code

Proved Ore Reserve As defined in the JORC Code

quarter Financial year quarter, commencing either 1 January, 1 April, 1 July or 1 October

RC Reverse Circulation

Recordable Injury is either an MTI, RWI or LTI that is included in the TRIFR

Reportable Injury is a serious injury or fatality that must be reported to the applicable statutory authority/regulator as per the relevant legislation

RWI or Restricted Work Injury An occupational injury or illness that results in a restricted work day. Examples are the temporary limitation of work activity such as assignment of temporary alternative duties, or limitation of duties in a regular job

Share Fully paid ordinary share in Gold Road Resources Limited

Shareholder A shareholder of Gold Road Resources Limited

Stretch A higher and more difficult outcome/result to achieve. Stretch metrics will deliver significant value to the business Achieving the Stretch metric will result in >100% of the metric being achieved.

Target The desired outcome/result that is realistic to achieve under the conditions (resources, time, quality, operating conditions, situational landscape) known at the time the target is set. Achieving the Target metric will result in 100% of the metric being achieved.

Threshold The minimum level of achievement for which there will be a minimum award for the achieved outcome.

TRIFR Total recordable injury frequency rate

Corporate Directory

ASX Code: GOR DIRECTORS Tim Netscher Non-executive Chairman Duncan Gibbs Managing Director and CEO Justin Osborne Executive Director – Discovery and Growth Sharon Warburton Non-executive Director Brian Levett Non-executive Director Maree Arnason Non-executive Director COMPANY SECRETARY Hayden Bartrop	REGISTERED & PRINCIPAL OFFICE Level 2 26 Colin Street West Perth WA 6005 Australia Telephone: +61 8 9200 1600 Email: perth@goldroad.com.au Web Site: www.goldroad.com.au POSTAL ADDRESS PO Box 1157 West Perth WA 6872 Australia	AUDITOR KPMG 235 St Georges Terrace Perth WA 6000 Australia SHARE REGISTRY Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth WA 6000 Australia STOCK EXCHANGE ASX Limited Level 40, Central Park 152 – 158 St Georges Terrace Perth WA 6000 Australia
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Date	Announcement	
8 December	APA Makes First Hybrid Energy Microgrid Investment	Progress Report
8 December	Gruyere to Expand with Renewable Energy Hybrid Microgrid	Progress Report
2 December	Investor Presentation - December 2020	Company Presentation
23 October	Quarterly Activities and Cash Flow Report - Sept 2020	Third Quarter Activities Report
12 October	Diggers and Dealers Mining Forum Presentation	Company Presentation
2 October	Financial Close of Tranche B to Revolving Corporate Facility	Debt Facility
24 September	Gruyere Production Update	Progress Report
18 September	Gold Road Increases Financing Facilities	Debt Facility
16 September	Investor Presentation - September 2020	Company Presentation
16 September	Dividend Policy	Dividend - Other
10 September	Yamarna Exploration Update - September 2020	Progress Report
9 September	2020 Half Year Financial Results Announcement	Half Year Accounts
9 September	2020 Half Year Financial Results	Half Year Audit Review
24 July	Cygnus update on Wheatbelt JVs	Progress Report
24 July	Investor Presentation - July 2020	Company Presentation
24 July	Quarterly Activities and Cashflow Report - June 2020	Second Quarter Activities Report
12 June	New Director and Resignation of Company Secretary	Director Appointment/Resignation
5 June	Cygnus commences drilling on Wheatbelt JVs	Progress Report
1 June	Cygnus JV successful in EIS co-funding at Hammerhead	Progress Report
28 May	2020 AGM Results of Meeting	Results of Meeting
28 May	2020 AGM Chairman's Address to Shareholders	Chairman's Address to Shareholders
28 May	2020 AGM CEO Presentation	Chairman's Address to Shareholders
7 May	Strong drill results for Cygnus at Hammerhead	Progress Report
23 April	Notice of Annual General Meeting/Proxy Form	Notice of Annual General Meeting
21 April	Investor Presentation - April 2020	Company Presentation
21 April	Quarterly Activities and Cashflow Report - March 2020	First Quarter Activities Report
7 April	Exploration Update - April 2020	Progress Report
20 March	Annual Report to shareholders AMENDED	Annual Report
20 March	2019 Corporate Governance Statement and Appendix 4G	Corporate Governance
10 March	CY5: Cygnus exploration licence granted at Panhandle	Progress Report
13 February	Investor Presentation - February 2020	Company Presentation
12 February	Gruyere 2020 Guidance and Annual Resource and Reserve	Progress Report
30 January	Quarterly Activities Report and Appendix 5B - December 2019	Fourth Quarter Activities Report

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