

GASCOYNE RESOURCES LIMITED

ACN 139 522 900

NOTICE OF ANNUAL GENERAL MEETING 2010

AND

**EXPLANATORY STATEMENT
TO SHAREHOLDERS**

A PROXY FORM IS ENCLOSED

The Directors recommend that Shareholders vote in favour of each of the Resolutions contained in this Notice of Meeting.

Please read the Notice and Explanatory Statement carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

14th October 2010

Dear Shareholder

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Please find attached the Notice of Meeting in respect of the 2010 Annual General Meeting scheduled for 9am on Wednesday, 17th November 2010 at The Celtic Club, 48 Ord St, West Perth, Western Australia and look forward to your attendance.

This will be the first Annual General Meeting for the company having successfully listed on the ASX in December 2009. In this first year a strong exploration team has been assembled and exploration renewed on the company's tenements in the Gascoyne region. Drilling has extended the extent of the gold mineralisation at the Icon and 102 deposits at Glenburgh and returned encouraging results from the Bassit Bore project where drilling was conducted across zones with anomalous gold in soil.

The annual financial report is available on our website at www.gascoyneresources.com.au. Alternatively, shareholders wishing a hard copy can contact the Company.

I refer you to the attached Notice of Meeting and Explanatory Statement and look forward to your support in respect of each of the Resolutions proposed.

Yours sincerely,



Graham Riley
Chairman

P.O. Box 825, West Perth, Western Australia 6872
Suite 7 / 29 Ord Street, West Perth, Western Australia 6005
Telephone +61 8 9481 3434, Facsimile +61 8 9321 3909, Email: admin@gascoyneresources.com.au, Website: gascoyneresources.com.au

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2010 Annual General Meeting of members of Gascoyne Resources Limited (**Gascoyne** or the **Company**) will be held on Wednesday, 17th November 2010 commencing at 9.00am at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes in more detail the matters to be considered. Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting. In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken to be those persons who held shares in the Company as at 9.00am on 15th November 2010.

AGENDA

ORDINARY BUSINESS

Accounts

To receive the annual financial report of the Company for the period ended 30 June 2010, the Directors' report and auditor's report.

Resolutions

1. Remuneration Report

To consider, and if thought fit to pass, with or without amendment, the following resolution as a non-binding resolution:

"That for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the year ended 30 June 2010."

2. Re-Election of Director

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That, in accordance with clause 17.4 of the Company's Constitution and for all other purposes, Mr John denDryver who retires from the office of Director by rotation in accordance with the Company's Constitution and offers himself for re-election, is hereby re-elected as a Director of the Company."

3. Appointment of Auditor

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purpose of Section 327B of the Corporations Act and for all other purposes, Grant Thornton Audit Pty Ltd, having been nominated by a Shareholder and consenting in writing to act in the capacity of auditor, be appointed as an auditor of the Company."

4. Approval of Remuneration of Non-Executive Directors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That in accordance with ASX Listing Rule 10.17, and for all other purposes, the maximum aggregate remuneration payable to Non-Executive Directors as Directors' Fees in any financial year be set at \$250,000 per annum to be apportioned between them as determined by Board resolution, or in the absence of a resolution, equally between them."

Voting Exclusion

The Company will disregard any votes cast on this resolution by a Director or an associate of a Director.

PROXIES

A Proxy Form accompanies this Notice of Meeting and to be effective must be received at the Company's registered office:

In person at: Gascoyne Resources Limited

Suite 7 / 29 Ord Street
WEST PERTH WA 6005

OR By post to: Gascoyne Resources Limited
PO Box 825
WEST PERTH WA 6872

OR By facsimile on: (61 8) 9321 3909

by not later than 9.00am (WST), Monday, 15th November 2010.

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

BY ORDER OF THE BOARD

Joneen McNamara
Company Secretary
14th October 2010

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of Gascoyne Resources Limited (**Gascoyne** or the **Company**) in connection with the business to be conducted at an Annual General Meeting of Shareholders to be held at the Celtic Club, 48 Ord Street, West Perth, WA on Wednesday, 17th November 2010 at 9.00am.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the Resolutions to Shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Statement.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.gascoyneresources.com.au or request a copy from the Company at any time.

2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

The remuneration report is set out in the Company's annual financial report for the financial year ended 30 June 2010.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the Company.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

The Corporations Act requires that a resolution to adopt the remuneration report be put to Shareholders. However, Shareholders should note that the vote on Resolution 1 is advisory only and not binding on the Company or its Directors.

3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR

In accordance with clause 17.4 of the Constitution and ASX Listing Rule 14.4 a Director may not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

If no Director is required to retire due to the expiry of their three year term clause 17.4 of the Constitution requires one of the Directors, by rotation, to retire to allow an election of a Director to take place at every annual general meeting.

A Director who retires by rotation under clause 17.4 of the Constitution is eligible for re-election.

Mr denDryver retires by rotation under clause 17.4 of the Constitution and seeks re-election.

4. RESOLUTION 3 - APPOINTMENT OF AUDITOR

Section 327B(1) of the Corporations Act provides that a public company must appoint an auditor at its first annual general meeting and thereafter to fill a vacancy in the office of auditor at each subsequent annual general meeting.

In accordance with Section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for Grant Thornton Audit Pty Ltd to be appointed as the Company's auditor. A copy of this nomination is enclosed with this Notice of Meeting.

Grant Thornton Audit Pty Ltd has given its written consent to act as the Company's auditor subject to Shareholder approval of this Resolution 3.

If Resolution 3 is passed, the appointment of Grant Thornton Audit Pty Ltd as the Company's auditor will take effect at the close of this general meeting.

5. RESOLUTION 4 - APPROVAL OF REMUNERATION OF NON-EXECUTIVE DIRECTORS

ASX Listing Rule 10.17 and clause 17.8 of the Company's Constitution provide the maximum aggregate amount of the remuneration payable as Directors' fees to Non-Executive Directors is to be determined by a general meeting.

This being the first Annual General Meeting of the Company, this resolution seeks Shareholder approval to confirm the amount of \$250,000 in aggregate as the maximum Directors' fees payable to Non-Executive Directors in each financial year, to be apportioned between them as determined by Board resolution, or in the absence of a resolution, equally between them.

The amount of \$250,000 in aggregate for the Non-Executive Director fee pool is as per the Prospectus issued by the Company. The fee pool is required in order to best provide for the future of the Company. The fee pool is currently not fully utilised with directors' fees currently set at \$50,000 for the Chairman and \$35,000 for the Non-executive Director. There is no current intention to increase the fees being paid to Directors.



HELIX RESOURCES LIMITED

A.C.N. 009 138 738 Incorporated in Western Australia

The Chairman
Board of Directors
Gascoyne Resources Limited
Suite 7 / 29 Ord Street
WEST PERTH WA 6005

4 October 2010

Dear Sir,

Nomination of Auditor for Gascoyne Resources Limited ACN 139 522 900 ("Company")

In accordance with section 328B(3) of the Corporations Act 2001 and for all other purposes, we, being a member of the Company, hereby nominate Grant Thornton Audit Pty Ltd for appointment as auditor of the Company.

Yours faithfully

Greg J Wheeler
Chairman

PROXY FORM

The Secretary
Gascoyne Resources Ltd
PO Box 825
West Perth WA 6872
FAX: (08) 9321 3909

I/We (full name) _____

of _____

being a member(s) of Gascoyne Resources Limited, hereby appoint as my/our proxy

of _____

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the general meeting of the Company to be held at 9.00am on Wednesday, 17th November 2010 and at an adjournment thereof in respect of ___% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

Usual Signature

Dated this _____ day of _____ 2010.

Usual Signature

RESOLUTIONS

	FOR	AGAINST	ABSTAIN
Resolution 1 - Adoption of Remuneration Report	☐	☐	☐
Resolution 2 - Re-Election of Mr denDryver as a Director	☐	☐	☐
Resolution 3 - Appointment of Auditor	☐	☐	☐
Resolution 4 - Approval of Remuneration of Non-Executive Directors	☐	☐	☐

If the Member is a Company

Signed in accordance with the constitution of the company (affix common seal if applicable)

Director/Sole Director

Director/Secretary

Sole Director and Sole Secretary

Dated this _____ day of _____ 2010.

INSTRUCTIONS AS TO VOTING

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box for each Resolution, otherwise your proxy will vote as he/she thinks fit or abstain from voting. OR

If the Chairman of the meeting is appointed as your proxy or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of resolutions, please place a mark in this box ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of a Resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on a Resolution in which he has an interest and your votes will not be counted in calculating the required majority if a poll is called on a Resolution. The Chairman intends to vote in favour of each Resolution.

NOTES

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company, posted to PO Box 825 West Perth 6872 or sent by facsimile to Fax: 08 9321 3909 to be received not less than 48 hours prior to the time of the

meeting.

5. If the member is a company it must execute under its common seal or otherwise in accordance with Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
- 2 directors of the company; or
 - a director and a company secretary of the company: or
 - for a proprietary company that has a sole director who is also the sole company secretary, that director.