GASCOYNE RESOURCES LIMITED

ACN: 139 522 900

5th November 2010

Australian Stock Exchange Limited
Via Electronic Lodgement

REVERSE CIRCULATION DRILLING COMMENCES AT GLENBURGH

Gascoyne Resources Limited has commenced a Reverse Circulation and RAB drilling program at the Glenburgh gold project to provide an initial test of PRIORITY TARGETS. All these targets have a significant geochemical gold anomaly, (or in the case of the south western target, RAB drilling results >1g/t gold), that are associated with gold mineralised trends that were recognised from the geological reconstruction, regolith and geochemical assessment as reported in the last Quarterly report.

Approximately 3,400 metres of RC drilling in 68 holes along with 2,000 metres of RAB drilling in 48 holes are to be drilled to provide first pass assessment of 7 targets. This program is expected to be completed by late November. The results of this drilling are not expected to be received until late December 2010 or early January 2011.

Shallow geochemical drilling (refer to ASX release dated 1 November 2010) is in progress with an anticipated completion in Mid to Late November.

Forward Program

Field work at Glenburgh will be suspended from the end of this drilling program and is expected to recommence in March 2011. During this period office studies will include incorporating the results of the recent drilling programs into the data base and resource models.

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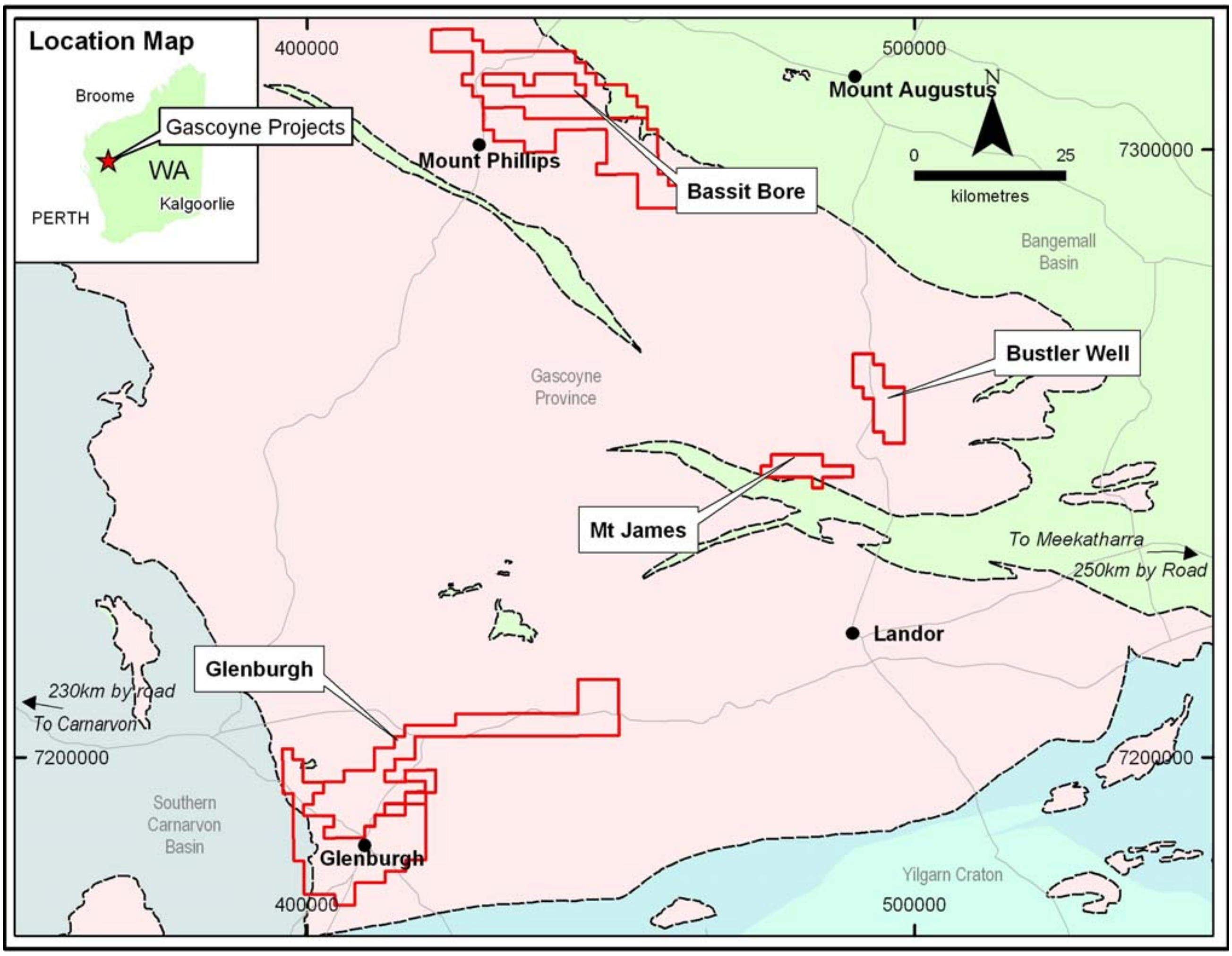

Projection: GDA 94 Zone 50

Figure One: Project Location map.

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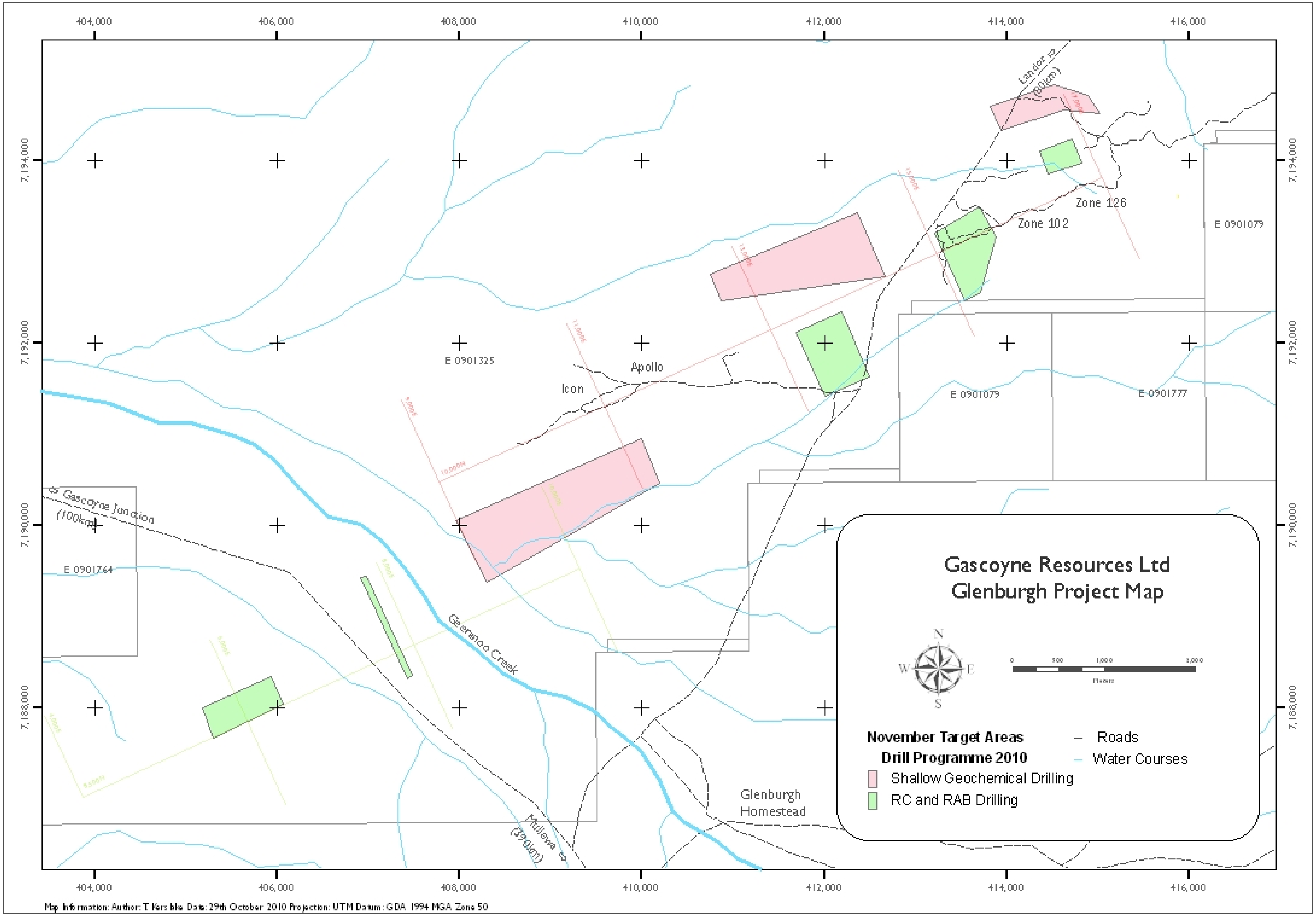

Figure Two: Location of and PRIORITY RC and RAB Drilling and Geochemical Drilling (in progress).