GASCOYNE RESOURCES LIMITED

ACN: 139 522 900

20th January 2011

Australian Stock Exchange Limited
Via Electronic Lodgement

NEW TENEMENT APPLICATIONS IN THE MURCHISON AND EASTERN GOLDFIELDS

Gascoyne Resources Limited is pleased to announce that it has recently lodged applications for two exploration licences and four prospecting licences at Higginsville in the Eastern goldfields and 6 exploration licence applications in the Murchison region of Western Australia and that four of these have already been recommended for grant by the Mining Warden.

As part of the company's growth strategy, Gascoyne is seeking to expand its presence in prospective geological regions particularly into areas that have established infrastructure. Although modest in size, these tenement applications provide an opportunity to diversify our exploration efforts into historically productive yet relatively underexplored locations. The company is also actively investigating a number of new project opportunities, which will add to the geographic diversification of our assets.

While Gascoyne continues to look for additional projects, the Glenburgh Gold project which includes the Inferred Resources of 7.2Mt @ 1.6 g/t Au for 360,000 oz of Gold continues to be the company's priority project.

Details of the Applications are;

HIGGINSVILLE

The applications E15/1265, E15/1280 and P15/5570-73 are located at the southern end of the Widgemooltha Dome that hosts extensive nickel deposits currently being mined by Mincor Resources and significant gold deposits in the area including Chalice to the south and Higginsville to the east (See Figure 1). With respect to E15/1265 & E15/1280 due to existing granted tenements and prior applications not all the area applied for is expected to be available for grant.

Of particular interest within E15/1280 is the Footes Find gold deposit that was explored by Resolute-Samantha in the late 1980s and early 1990s. Subsequently gold production was undertaken from a shallow open pit as a satellite operation to the Higginsville operation.

Avoca Resource's Higginsville operation is located approximately 7 km to the north east of this prospect.

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MURCHISON REGION

Three applications (E51/1470 & 1469 and E20/759) are located at the northern end of the Big Bell greenstone belt while further to the east application E20/773 covers the central part of the Tuckanarra gold mining centre.

Further south application E 58/399 is located approximately 20 Km south of the Hill 50 gold deposits at Mount Magnet.

In the Ninghan region (south West from Paynes Find) application E59/1731 covers ground where previous explorers intersected up to 6m @ 2.9 g/t Au in a near surface quartz stockwork system (See Figure 2)

These applications are expected to be granted in the latter half of this year.

On behalf of the Board of
Gascoyne Resources Ltd

Gordon Dunbar
Managing Director

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's General Manager Mr Mike Dunbar and who is a member of The Australasian Institute of Mining and Metallurgy. Mr Dunbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dunbar consents to the inclusion of the data in the form and context in which it appears.

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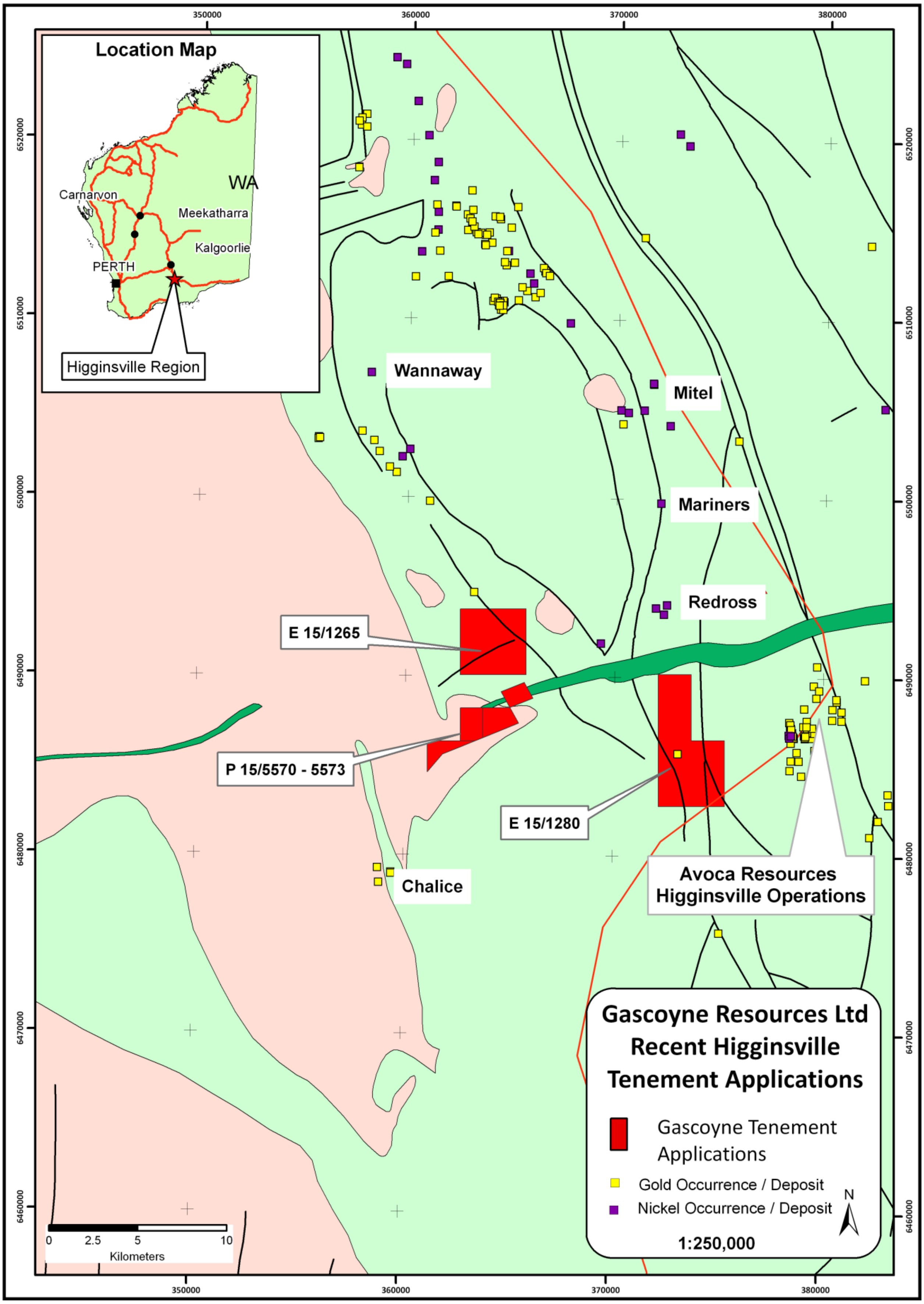

Figure 1: Recent Tenement Applications - Higginsville

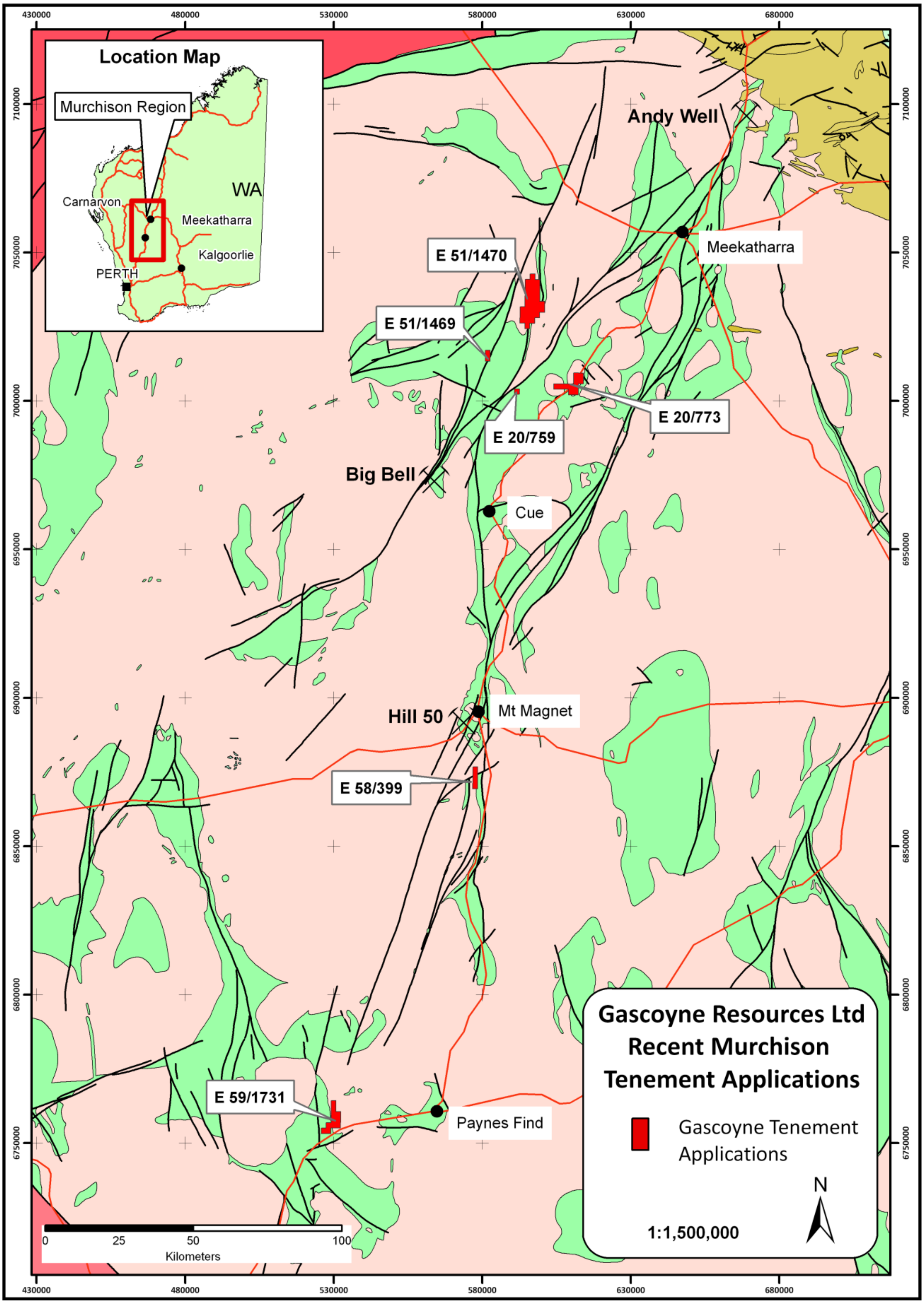

Figure 2: Recent Tenement Applications - Murchison

BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited was listed on the ASX in December 2009 following the amalgamation of the gold assets of Helix Resources Limited and Giralia Resources NL in the Gascoyne Region and a capital raising.

Gascoyne Resources is endowed with

- The Glenburgh Project that has an inferred resource estimate of: 7.2Mt @ 1.6g/t Au for 360,000oz gold from several prospects within a 20km long shear zone.

- Untested soil geochemical anomalies and a number of mineralised quartz veins at Bassit Bore ready to be drilled.

- Advanced exploration projects at Mt James and at Bustler Well.

Gascoyne Resources' immediate focus is to continue the evaluation of the Glenburgh gold deposits to delineate meaningful increases in the resource base and to identify and test additional targets in the Glenburgh mineralised system and to explore for additional gold resources on the exploration properties. Success in these activities could to lead to the development of a gold project based on the Glenburgh gold deposits.