

17th March 2011

Australian Stock Exchange Limited
Via Electronic Lodgement

NEW GEOCHEMICAL ANOMALY ON THE ICON TREND

- 800m long gold anomaly with values to 700ppb gold in auger sampling.
- Anomaly remains open to the east and west.
- Drilling planned for late March.

Results from the recent auger sampling at the Glenburgh gold project have outlined an 800m long gold geochemical anomaly as delineated by 20ppb Au values with peak values of 700, 68 & 46 ppb Au. It is open to the east and west. This anomaly is broadly co incident with a section of the recently identified Icon trend and is along strike from the 500m long geochemical anomaly reported in January 2011 (see Figure 1).

The recent structural re interpretation identified a number of trends that host the gold deposits within the Glenburgh project. One of these trends (the Icon Trend) was identified as a high priority target because of the lack of historical geochemical sampling over the trend and the fact that the trend hosts approximately 30% of the Inferred Resources on the project, within one single deposit - Icon deposit.

The geochemical drill program designed to cover this trend was only partially completed late in the 2010 field season which was cut short by inclement weather and poor drill rig availability. The program resumed in February 2011 using auger sampling.

This first pass geochemical sampling was designed to test the interface between the transported cover and the residual bedrock. Of the sampling completed, the average depth of the transported cover was around 1 - 1.5m. This interface sampling has now identified two anomalous zones along the structurally interpreted Icon trend and highlights the potential for the Icon trend further to the east, into an area which is currently being sampled. Additional auger sampling is to be undertaken along strike of and to the south of this recent geochemical anomaly.

Forward Program

RAB drilling is contracted to commence at Glenburgh late March 2011. Both these geochemical anomalies will be drilled as part of the 10,000m RAB drilling program. Statutory Approvals and Heritage Clearances are in place for this drilling.

*On behalf of the Board of
Gascoyne Resources Ltd*



Gordon Dunbar
Managing Director



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 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 lead to the development of a gold project based on the Glenburgh gold deposits.

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's General Manager Mr Mike Dunbar 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.

