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POSITIVE DRILLING RESULTS AT SOUTH WEST TARGET ZONE AT GLENBURGH

HIGHLIGHTS:

- Wide spaced RAB drilling at the south western target area has intersected significant shallow mineralisation, including:
 - **28m @ 1.2 g/t Au from 4m, including 8m @ 3.23 g/t from 16m in GLR527**
 - **4m @ 0.9 g/t Au from 40m to the end of hole, in GLR523,**
 - 10m @ 0.7 g/t Au from 24m in GLR533,
- The anomalous trends extends over **3,000m**, with further results expected within two weeks
- Next 5,000 – 8,000m RC program is planned for June after results from the recent program assessed.

Gascoyne Resources Limited is pleased to announce that drilling at the south western target zone at the Company's 100% owned Glenburgh Gold project in Western Australia, has intersected significant widths and grades of gold mineralisation in wide spaced shallow RAB drilling. The south western target zone is approximately 4km south west and along strike from the Apollo /Icon gold deposits.

These recent RAB results along with the RC drilling results from the extensional drilling at the known gold deposits (announced over the past few weeks) have highlighted the potential for significant growth to the current resource of 360,000 ounces of gold, and that there are significant new discoveries yet to be made at the Glenburgh project.

These results are from approximately one third of the RAB program. The remainder of the results are expected within the next two weeks.

South West Target Zone:

The RAB drilling, 4.0 km to the south west of the Icon resource area has intersected significant gold mineralisation. The drilling has infilled the historical, 400m spaced RAB drill lines to 200m line spacings and has confirmed the Company's interpretation that there are two parallel gold mineralised trends in the area, both extending approximately 3,000m. See Figure one and two.



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A full list of significant intersections received to date is contained in Table 1 and the hole locations and details are in Table 2. These details are also presented in Figure two.

The current drill spacing is very broad, with a drill line spacing of 200m with hole spacing along the line of 25m. The holes have been inclined at 60° to the local grid south and have an average depth of 36m.

The results received to date on the southern trend include, 28m @ 1.2g/t Au from 4m in GLR527 (including 8m @ 3.2g/t from 16m), 4m @ 0.9 g/t from 40m to the end of hole in GLR523, 10m @ 0.7g/t Au from 24m in GLR533, 18m @ 0.3 g/t Au from 20m to the end of hole in GLR548.

The northern trend has only been tested on two lines, with low grade intersections of 4m @ 0.4g/t Au from 16m in GLR537 and 16m @ 0.2g/t Au from 16m in GLR556.

These results returned greater widths and grade than the historical drilling, which had intersected up to 4m @ 1.1 g/t Au from 32m in GLR 206 and 10m@0.6 g/t Au from 20m to the end of hole.

Given the higher grade portion of the southern trend extends for over 600m, there is potential for the area to host a significant resource.

RC and further follow up RAB drilling is planned for the area, with the RC expected to be completed in late June.

Shelby East Geochemical anomaly:

A total of 31 holes were drilled into the anomaly, however due to the very shallow depth of weathering the average hole depth was 8m. The area has not been adequately tested.

Three holes intersected elevated gold, up to 6m @ 63ppb Au from 8m, 4m @ 0.12g/t from surface in GLR490 and 4m @ 0.25 g/t Au from 4m in GLR484.

Additional infill geochemical sampling and RC drilling is planned for the area.

Mustang North Geochemical Anomaly:

The first pass shallow RAB drilling over the anomaly has been completed, with a peak result from the drilling of 4m @ 58ppb Au.

No additional drilling is planned in the area.

Forward Program:

As outlined in the last announcement (released on the 2nd of June), the forward program includes:

- RC drilling of approximately 5,000 to 8,000m to test the down dip, down plunge and strike extensions of the known deposits.
- Initial RC drilling at the South West Target.

As well as the continuing drilling programs, the scoping study is progressing well and is expected to be completed in the next three months.

Further results and information will be provided as they become available.

*On behalf of the Board of
Gascoyne Resources Ltd*



Michael Dunbar
Managing Director

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's Managing Director Mr Michael 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.

The drilling was conducted using RAB drilling with samples being collected at one metre intervals and 4m composite sample taken by spear sampling. The subsample of approximately 2-4 kg was sent to Lab West Pty Ltd in Perth Western Australia. The sample was fully pulverized and analysed for gold using a 25 gram aqua-regia digest and ICPMS determination to a 0.5ppb Au detection limit. Full analytical quality assurance – quality control (QA/QC) is achieved using a suite of certified standards, laboratory standards, laboratory duplicate, repeats and blanks.

The spatial location of the samples is derived using surveyed local grid co-ordinates, GPS collar survey pickups.

Intersections have been reported using a 0.1g/t cutoff and allowance for up to 4m of internal waste. Some intersections have not been reported if they are single composite intersections or are not considered to be significant due to their isolated position compared to other intersections.

True widths have not been determined as the level of detail needed to calculate accurate true widths is not yet available, as a result down hole widths have been reported, however true widths are not expected to significantly change from the down hole widths.

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 of Western Australia.

Gascoyne Resources is endowed with

- 100% of the Glenburgh Project in Western Australia, which has an inferred resource of: 7.2Mt @ 1.6g/t Au for 360,000oz gold from several prospects within a 20km long shear zone. Considerable resource growth potential exists around the deposits as well as at regional targets that have had limited exploration over the last 15 years.
- Advanced exploration projects at Mt James where drilling has outlined a +1 g/t Au mineralisation over at least 2.5km strike within a 300m thick package of sheared mafic amphibolites and BIFs: and at Bustler Well where previous RC drilling returned narrow high grade intersections including 1m @ 37.4g/t Au, 2m @ 9.08 g/t Au and 3m @ 7.62 g/t Au from a 150m long quartz-shear lode.
- Untested soil geochemical anomalies at Bassit Bore ready to be drilled.

Gascoyne Resources' immediate primary 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 is expected to lead to the development of a gold project based on the Glenburgh gold deposits.

Further information is available at www.gascoyneresources.com.au

Table 1: Recent Significant RAB Drill Intersections

hole	from	to	interval	Au g/t	Comments
GLR484	4	8	4	0.25	
GLR490	0	4	4	0.12	
GLR518	16	20	4	0.23	
GLR523	40	44	4	0.91	To EOH
GLR526	32	40	8	0.12	
GLR527	4	32	28	1.19	
Inc.	16	24	8	3.23	
GLR533	24	34	10	0.69	To EOH
GLR534	24	32	8	0.19	
GLR535	28	36	8	0.13	
GLR537	16	24	8	0.33	
GLR548	24	28	4	0.66	
GLR548	20	38	18	0.28	To EOH
GLR549	16	24	8	0.19	
GLR550	16	24	8	0.18	
GLR551	24	26	2	0.11	To EOH
GLR556	16	32	16	0.18	

Table 2: RAB Drill Hole Locations and Details

Hole #	National East (GDA)	National North (GDA)	Local East	Local North	Depth	Prospect
GLR463	411398	7192525	13150	10350	11	Mustang North
GLR464	411387	7192548	13150	10375	46	Mustang North
GLR465	411377	7192571	13150	10400	45	Mustang North
GLR466	411366	7192593	13150	10425	49	Mustang North
GLR467	411356	7192616	13150	10450	46	Mustang North
GLR468	411345	7192639	13150	10475	50	Mustang North
GLR469	411335	7192662	13150	10500	58	Mustang North
GLR470	411195	7192487	12950	10400	21	Mustang North
GLR471	411184	7192510	12950	10425	34	Mustang North
GLR472	411174	7192532	12950	10450	38	Mustang North
GLR473	411164	7192555	12950	10475	46	Mustang North
GLR474	411153	7192578	12950	10500	35	Mustang North
GLR475	411143	7192601	12950	10525	43	Mustang North
GLR476	411132	7192623	12950	10550	44	Mustang North
GLR477	410992	7192449	12750	10450	47	Mustang North
GLR478	410982	7192472	12750	10475	43	Mustang North
GLR479	410971	7192494	12750	10500	41	Mustang North
GLR480	410961	7192517	12750	10525	42	Mustang North
GLR481	410951	7192540	12750	10550	43	Mustang North
GLR482	412641	7192575	14300	9875	10	Shelby East
GLR483	412630	7192597	14300	9900	12	Shelby East
GLR484	412620	7192620	14300	9925	17	Shelby East
GLR485	412609	7192643	14300	9950	6	Shelby East
GLR486	412599	7192666	14300	9975	3	Shelby East
GLR487	412589	7192688	14300	10000	5	Shelby East
GLR488	412578	7192711	14300	10025	6	Shelby East
GLR489	412438	7192536	14100	9925	3	Shelby East
GLR490	412428	7192559	14100	9950	6	Shelby East
GLR491	412417	7192582	14100	9975	5	Shelby East
GLR492	412407	7192605	14100	10000	1	Shelby East
GLR493	412396	7192627	14100	10025	2	Shelby East
GLR494	412386	7192650	14100	10050	3	Shelby East
GLR495	412375	7192673	14100	10075	5	Shelby East
GLR496	412236	7192498	13900	9975	2	Shelby East
GLR497	412225	7192521	13900	10000	9	Shelby East
GLR498	412215	7192544	13900	10025	8	Shelby East
GLR499	412204	7192566	13900	10050	9	Shelby East
GLR500	412194	7192589	13900	10075	16	Shelby East
GLR501	412183	7192612	13900	10100	11	Shelby East
GLR502	412173	7192635	13900	10125	14	Shelby East
GLR503	412064	7192392	13700	9950	12	Shelby East
GLR504	412054	7192415	13700	9975	14	Shelby East
GLR505	412043	7192437	13700	10000	9	Shelby East
GLR506	412033	7192460	13700	10025	16	Shelby East
GLR507	412023	7192483	13700	10050	10	Shelby East
GLR508	412012	7192505	13700	10075	10	Shelby East
GLR509	412002	7192528	13700	10100	13	Shelby East
GLR510	411991	7192551	13700	10125	10	Shelby East
GLR511	411981	7192574	13700	10150	12	Shelby East

Hole #	National East (GDA)	National North (GDA)	Local East	Local North	Depth	Prospect
GLR512	411970	7192596	13700	10175	16	Shelby East
GLR513	407186	7188880	7800	8800	33	SW Area
GLR514	407196	7188858	7800	8775	30	SW Area
GLR515	407207	7188835	7800	8750	36	SW Area
GLR516	407217	7188812	7800	8725	33	SW Area
GLR517	407228	7188789	7800	8700	33	SW Area
GLR518	407238	7188767	7800	8675	42	SW Area
GLR519	407248	7188744	7800	8650	34	SW Area
GLR520	407015	7188774	7600	8775	55	SW Area
GLR521	407025	7188751	7600	8750	51	SW Area
GLR522	407035	7188728	7600	8725	42	SW Area
GLR523	407046	7188706	7600	8700	44	SW Area
GLR524	407056	7188683	7600	8675	43	SW Area
GLR525	407067	7188660	7600	8650	41	SW Area
GLR526	406885	7188577	7400	8650	45	SW Area
GLR527	406896	7188554	7400	8625	43	SW Area
GLR528	406906	7188531	7400	8600	41	SW Area
GLR529	406917	7188509	7400	8575	39	SW Area
GLR530	406735	7188425	7200	8575	43	SW Area
GLR531	406724	7188448	7200	8600	44	SW Area
GLR532	406714	7188470	7200	8625	38	SW Area
GLR533	406703	7188493	7200	8650	34	SW Area
GLR534	406693	7188516	7200	8675	46	SW Area
GLR535	406683	7188539	7200	8700	44	SW Area
GLR536	406672	7188561	7200	8725	22	SW Area
GLR537	406588	7188743	7200	8925	46	SW Area
GLR538	406630	7188652	7200	8825	45	SW Area
GLR539	406620	7188675	7200	8850	45	SW Area
GLR540	406609	7188697	7200	8875	26	SW Area
GLR541	406599	7188720	7200	8900	46	SW Area
GLR542	406574	7188296	7000	8525	31	SW Area
GLR543	406564	7188319	7000	8550	33	SW Area
GLR544	406553	7188341	7000	8575	31	SW Area
GLR545	406543	7188364	7000	8600	28	SW Area
GLR546	406532	7188387	7000	8625	22	SW Area
GLR547	406522	7188409	7000	8650	27	SW Area
GLR548	406511	7188432	7000	8675	38	SW Area
GLR549	406501	7188455	7000	8700	30	SW Area
GLR550	406490	7188478	7000	8725	31	SW Area
GLR551	406480	7188500	7000	8750	26	SW Area
GLR552	406470	7188523	7000	8775	32	SW Area
GLR553	406459	7188546	7000	8800	17	SW Area
GLR554	406449	7188568	7000	8825	24	SW Area
GLR555	406438	7188591	7000	8850	27	SW Area
GLR556	406428	7188614	7000	8875	34	SW Area
GLR557	406417	7188637	7000	8900	27	SW Area
GLR558	406407	7188659	7000	8925	34	SW Area

Note: All holes drilled -60 degrees to local grid south (155 Magnetic)



