

February 28, 2012
Australian Securities Exchange Limited
Via Electronic Lodgement

FEASIBILITY DRILLING UPDATE, GLENBURGH GOLD PROJECT

HIGHLIGHTS

- Diamond drilling in progress at the high grade Zone 126 discovery at the Glenburgh Gold Project
- A second (RC) drilling rig due to arrive in two weeks, to be followed by a third (aircore) rig
- 40,000 metres of drilling planned for 2012

Gascoyne Resources Limited is pleased to provide an update on drilling activity at the Company's 100% owned Glenburgh Gold project in Western Australia. Glenburgh has an Indicated and Inferred JORC resource of over 700,000 ounces of gold (see Table 1) with significant resource upside identified and a Feasibility Study on development of the project has commenced. The current drilling program of over 40,000 metres will involve resource infill, geotechnical, metallurgical and groundwater drilling for the Feasibility Study and a substantial resource growth and exploration component. The highest priority resource growth drill targets are:

Zone 126 Drilling:

The first three diamond drillholes have been planned to test the down dip and down plunge continuation of the high grade Zone 126 deposit (see Figures one, two and three), beneath the outstanding RC drill intersections announced late last year, that included;

- 20m @ 11.1 g/t gold from 131m down hole,
- 17m @ 6.8 g/t gold from 163m down hole,
- 28m @ 5.0 g/t gold from 156m down hole,
- 14m @ 8.9 g/t gold from 227m down hole and
- 21m @ 3.0 g/t gold from 214m down hole.

Torino Drilling:

A second drill rig is due on site in around two weeks. The priority target is RC drilling along strike from the drill intersections at the new Torino discovery, which included;

- 43m @ 2.3 g/t gold from 66m down hole in the easternmost RC drillhole to date and
- 8m @ 6.0 g/t gold from 12m down hole



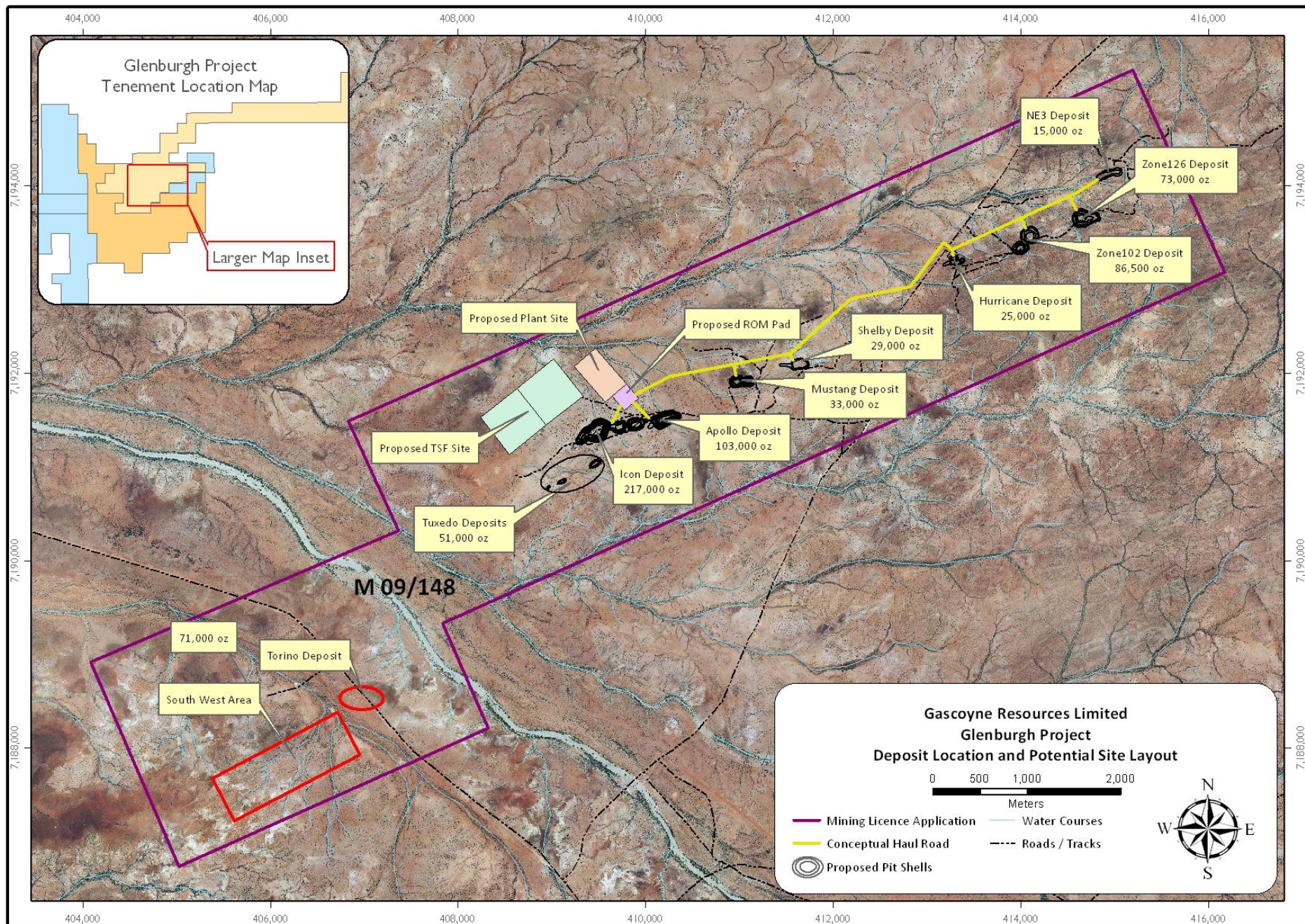


Figure One: Plan showing Deposit Location, Resources and Conceptual Site-Layout

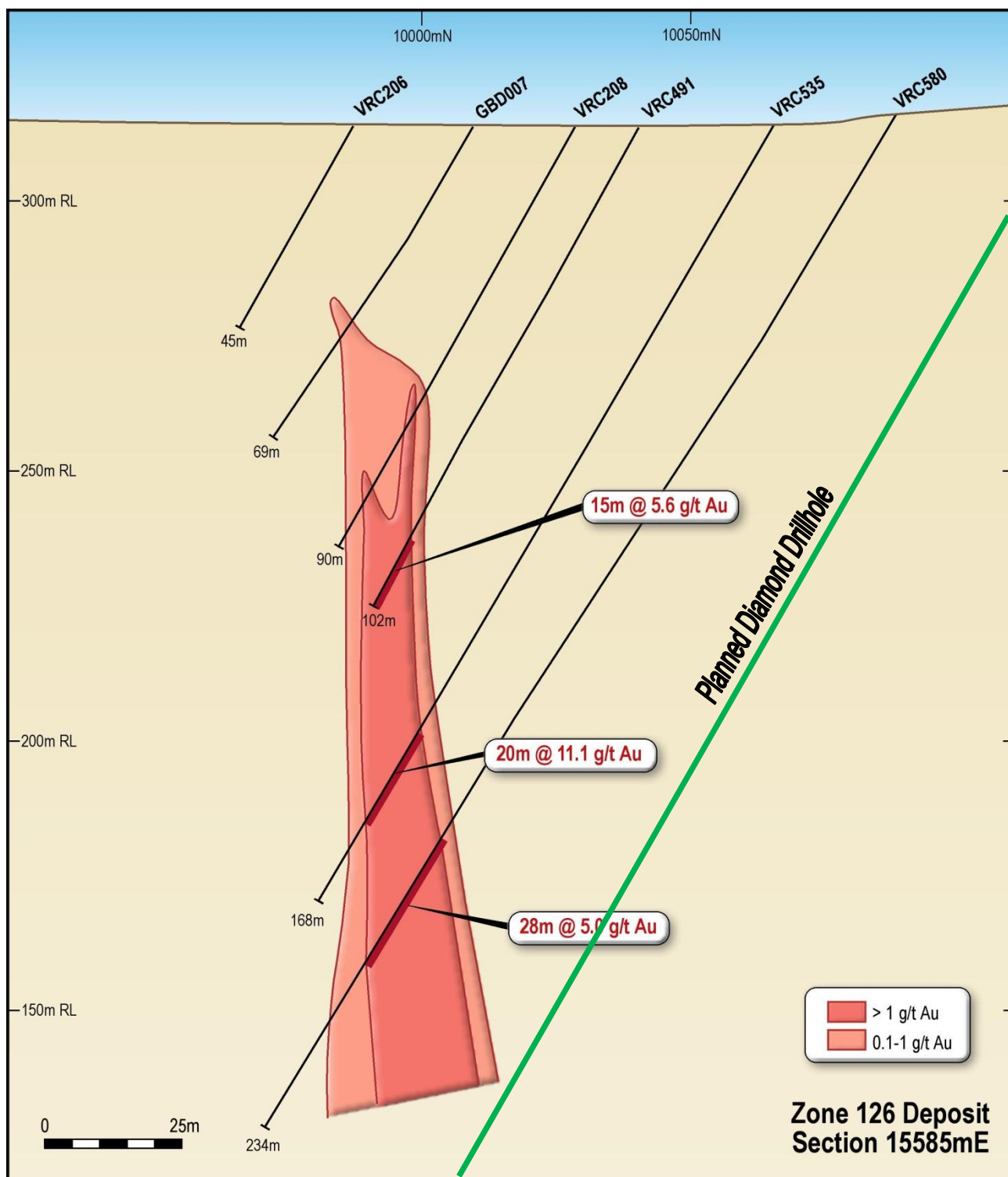


Figure Two: Zone 126 Cross Section 15585mE

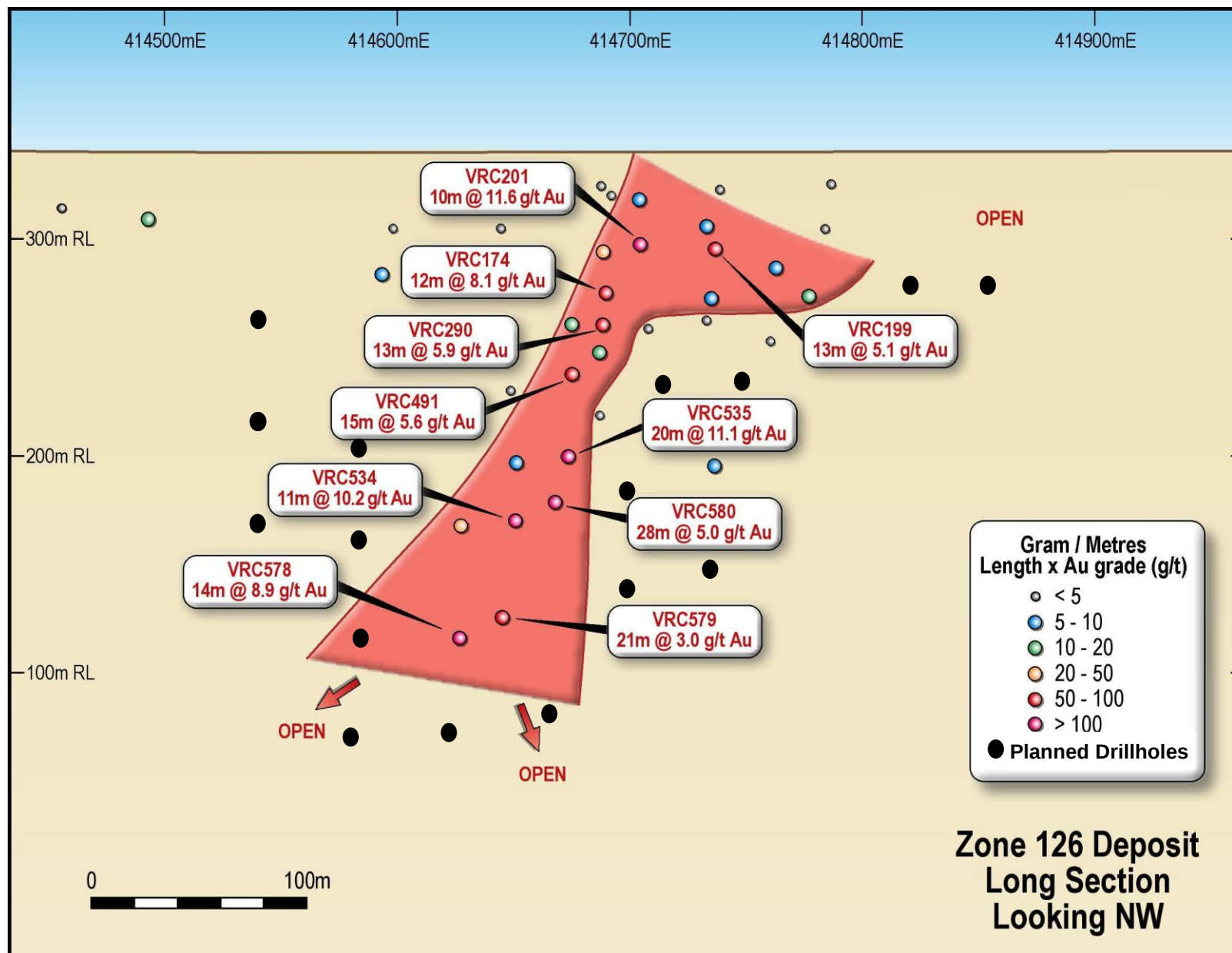


Figure Three: Zone 126 Long Section - Looking NW

Forward Program

In total around 40,000 metres of drilling is planned for the current field season.

The drill program includes RC, Diamond and RAB / Air core drill programs and is expected to continue for 8 months with two rigs on site for the bulk of the program. Over 280 RC drill holes (210 resource infill drill holes, 60 exploration holes and ten water exploration bores), over 350 Air core drill holes and more than ten diamond holes are planned to be drilled this year.

In addition to the priority targets outlined in the text above, the following activities are planned.

- Additional RC drilling to test the down dip, down plunge and strike extensions of all the known gold deposits at Glenburgh.
- Exploration RC drilling at the South Western target zone, to define additional targets along strike from the Torino deposit.
- Infill RC drilling to allow resource conversion from Inferred to Indicated to underpin the current Feasibility Study
- Exploration drilling of a number of priority geochemical anomalies.
- Detailed infill geochemical sampling of historical soil anomalies

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.

Table 1: Glenburgh Resource Summary (0.5g/t Au Cut-off)

February 2012 Mineral Resource									
Area	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Icon	0.8	1.3	33,500	5.6	1.0	183,200	6.4	1.1	216,700
Apollo	0.6	2.0	37,600	1.6	1.3	65,200	2.2	1.5	102,800
Tuxedo				1.8	0.9	50,900	1.8	0.9	50,900
Mustang				1.1	0.9	32,700	1.1	0.9	32,700
Shelby				0.9	1.0	29,300	0.9	1.0	29,300
Hurricane				0.6	1.3	24,800	0.6	1.3	24,800
Zone 102				1.5	1.8	86,500	1.5	1.8	86,500
Zone 126	0.2	4.5	32,300	0.8	1.6	40,500	1.0	2.2	72,800
NE3				0.5	0.9	15,000	0.5	0.9	15,000
Torino				1.3	1.5	65,000	1.3	1.5	65,000
SW Area				0.1	3.8	6,200	0.1	3.8	6,200
Total	1.6	2.0	103,500	15.8	1.2	600,000	17.4	1.3	703,000

Note: Discrepancies in totals are a result of rounding

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 Indicated and Inferred resource of: 17.4 Mt @ 1.3g/t Au for 703,000oz gold (the Indicated portion is 1.6Mt @ 2.0 g/t Au for 103,500 ounces of 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.
- At the Bassit Bore Project, a number of gold bearing quartz veins have been discovered at the Harrier prospect with rock chip samples up to 73g/t gold. RC drilling of one of these veins has intersected promising gold copper and silver mineralisation. A number of other quartz veins are yet to be tested.

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