GASCOYNE RESOURCES LIMITED

ACN: 139 522 900

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Via Electronic Lodgement

STRONG RESULTS CONTINUE TO EXCEED EXPECTATIONS FROM ICON AND APOLLO INFILL DRILLING

HIGHLIGHTS:

- Infill drilling results from the western portion of Apollo exceed expectations with significantly higher grades than predicted by the resource model. Better intersections include:
  - **20m @ 2.7 g/t gold including 3m @ 11.5 g/t gold**
  - **10m @ 3.6 g/t gold including 3m @ 10.4 g/t gold**
- Infill drilling results from the eastern portion of Icon Deposit exceed the grades and widths predicted by the resource model. Better intersections include:
  - **10m @ 8.6 g/t gold including 3m @ 25.8 g/t gold**
  - **30m @ 3.6 g/t gold including 9m @ 10.3 g/t gold**
  - **20m @ 1.5 g/t gold**
  - **50m @ 1.1 g/t gold**
  - **6m @ 3.1 g/t gold**
  - **3m @ 5.1 g/t gold**
- Results from the last two diamond holes from Zone 126 have been received and confirm the revised interpretation. Results include **2m @ 9.1 g/t gold** (within 8.5m @ 3.1 g/t gold) confirming the continuity of the mineralized lode.
- Drilling is continuing with two rigs drilling on site.

Gascoyne Resources Limited is pleased to announce the continued success of the infill drilling from the Apollo and Icon deposits at the 100% owned Glenburgh gold project in Western Australia, which has a JORC resource of over 700,000oz of gold. Results received to date continue to exceed the expected grades and thicknesses expected from the resource models.

Assay results have for the second half of the infill drilling program at the Apollo deposit (2.2Mt @ 1.5g/t for 103,000 contained gold ounces) have been received with the intersections exceeding the grades predicted by the February 2012 resource model. These results include high grade zones including **20m @ 2.7 g/t gold** (including **3m @ 11.5 g/t gold**) from 90m down hole in VRC630, **10m @ 3.6 g/t gold (including 3m @ 10.4 g/t gold)** from 30m down hole in VRC632 and 19m @ 1.0 g/t gold (including **3m @ 4.4 g/t gold**) from 50m down hole in VRC631. (see table one for significant intersections, and table two for hole collar details). The infill drilling program was designed to allow upgrade of the Apollo resource to JORC Indicated status, to permit estimation of an Ore Reserve for the Feasibility Study.

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Given the continued success of the infill drilling three deep diamond drill holes have been planned below the Apollo deposit, to test depth potential. These holes will be drilled during the two months.

Results from the first half of the infill drilling program at the immediately adjacent Icon deposit have also been received. These results have exceeded the expected grades and thicknesses from the February 2012 resource model. The Indicated and Inferred Resource at Icon includes 6.4Mt @ 1.1g/t gold, for 216,700 ounces of contained gold (see table 3 for resource breakdown). Results included **10m @ 8.6 g/t gold** (including **3m @ 25.8 g/t gold**) from 43m down hole in VRC659, **30m @ 3.6 g/t gold** (including **9m @ 10.3 g/t gold**) from 107m in VRC668, **20m @ 1.5 g/t gold** from 97m in VRC661, **6m @ 3.1 g/t gold** from 66m in VRC663, 50m @ 1.1 g/t gold (including **12m @ 2.1 g/t gold**) from 115m in VRC 667

Results for a further 35 infill holes at Icon are yet to be received. Samples from all of these holes are currently in the process of being analysed in the laboratory in Perth. These are expected to be received over the next two to three weeks.

As a result of the identification of a number of high grade pods (up to 45 g/t gold) within the Icon Deposit, four diamond holes have been planned to test the continuity of the deposit at depth. These holes will commence within the next two months

Results from the last two diamond holes completed at Zone 126 have also been received. This drilling confirmed the revised interpretation of the plunging shoot of mineralisation, with the lode intersected in both holes. Results included 8.5m @ 3.1 g/t gold (including **2m @ 9.1g/t gold**) from 216.5m downhole in GBD018, 4.1m @ 1.1 g/t gold from 209.9m downhole in GBD015.

A further 6 diamond holes have been planned to test the down plunge continuation of the high grade shoot at Zone 126. These holes have been prioritised and drilling of these will commence in approximately two weeks, and are expected to continue for approximately 5 weeks.

RC and diamond drilling is continuing, with the two rigs undertaking further infill and extensional drilling in the Icon, Apollo, Zone 102 and 126 deposit areas. Samples from a further 50 holes are either with the laboratory in Perth or in transit.

The next batch of results is expected in around two weeks.

Forward Program

The 40,000 metre program is progressing well ahead of schedule. To date over 20,000 metres have been completed, with approximately 2,000 metres being drilled every week and ~ 2,000 samples being dispatched weekly to the laboratory in Perth for analysis.

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

- Exploration RC drilling at the South Western target zone, to define additional targets along strike from the Torino deposit.
- Deep diamond drilling below Icon, Apollo and Zone 126 has been planned and is scheduled to commence in the next few weeks.
- 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

Table 1: Significant New Intersections (>0.5 g/t gold) from Infill Drilling from Apollo, Icon and Zone 126

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
GBD015	209.9	214	4.1	1.1	
	241	242.1	1.1	2.6	
	257.6	258.25	0.65	1.5	
GBD018	179	182	3	1.8	
	205	212	7	1.7	
	216.5	**225**	**8.5**	**3.1**	
	Inc		**2**	**9.1**	
VRC629	19	21	2	1.0	
	26	27	1	1.4	
	94	96	2	1.1	
VRC630	66	70	4	1.0	
	90	**110**	**20**	**2.7**	
	inc		**3**	**11.5**	
	131	134	3	2.6	
VRC631	42	45	3	1.3	
	50	**69**	**19**	**1.0**	
	inc		**3**	**4.4**	
	105	106	1	1.6	
	145	152	7	0.8	
VRC632	**30**	**40**	**10**	**3.6**	
	inc		**3**	**10.4**	
	49	50	1	0.9	
VRC633	7	8	1	0.6	
	15	16	1	0.9	
	66	73	7	0.8	
VRC635	30	31	1	0.6	
VRC636	29	30	1	1.3	
VRC639	20	34	14	1.1	
	54	55	1	0.5	
VRC640	4	10	6	0.5	
	20	23	3	1.0	
VRC641	48	61	13	0.6	
VRC642	43	61	18	0.7	
	69	70	1	0.6	
VRC643	18	19	1	0.9	
	41	42	1	1.2	
	47	48	1	0.9	
VRC644	36	50	14	0.9	EOH
VRC645	5	20	15	1.2	
	31	41	11	0.7	
VRC646	30	34	4	0.7	
	40	42	2	0.7	
	52	53	1	1.6	
	66	67	1	0.6	
VRC651	4	9	5	0.8	
	18	22	4	1.1	
	29	30	1	0.6	
	42	43	1	5.0	

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
VRC652	26	27	1	1.1	
	44	57	13	0.6	
	73	**76**	**3**	**3.5**	
VRC653	38	39	1	0.5	
	46	47	1	0.9	
	56	62	6	0.7	
	67	73	6	0.6	
	78	83	5	0.9	
VRC654	11	13	2	0.9	
	71	72	1	2.6	
	91	95	4	0.6	
VRC655	18	19	1	0.8	
	47	48	1	0.7	
	95	96	1	2.4	
	113	126	13	1.1	
	inc		1	4.7	
	134	135	1	1.4	
	141	149	8	1.3	
VRC656	32	34	2	0.6	
	46	50	4	0.9	
VRC657	23	24	1	2.0	
	53	61	8	0.5	
VRC658	17	19	2	0.8	
	25	32	7	0.8	
	43	44	1	1.7	
	64	65	1	1.8	
	87	92	5	1.7	
	inc		1	6.0	
VRC659	33	35	2	0.6	
	43	**53**	**10**	**8.6**	
	inc		**3**	**25.8**	
	60	74	14	0.7	
	80	84	4	0.6	
	97	100	3	1.0	EOH
VRC660	68	96	28	0.9	
	109	110	1	1.7	
	127	139	12	1.1	
VRC661	49	50	1	0.5	
	88	89	1	0.5	
	97	**117**	**20**	**1.5**	
	inc		**2**	**4.5**	
	128	130	2	1.1	EOH
VRC662	9	10	1	0.6	
	22	23	1	0.9	
	42	48	6	1.5	
	inc		3	5.1	
VRC663	27	28	1	3.6	
	51	52	1	0.7	

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
VRC663	59	60	1	0.9	
	66	72	6	3.1	
	80	81	1	0.5	
VRC664	22	32	10	0.7	
	67	71	4	1.0	
	89	90	1	1.6	
	112	114	2	0.5	
	119	128	9	0.6	
VRC665	53	69	16	0.7	
VRC666	86	97	11	1.1	
	104	107	3	0.6	
VRC667	**115**	**165**	**50**	**1.1**	
	inc		**12**	**2.1**	
VRC668	83	84	1	1.9	
	107	**137**	**30**	**3.6**	
	inc		**9**	**10.3**	
	142	158	16	1.0	
	168	169	1	1.3	
	177	188	11	1.3	
VRC669	10	11	1	0.6	
	21	22	1	0.7	
	27	28	1	0.8	
	34	47	13	0.7	
	75	77	2	1.1	
VRC671	2	5	3	0.8	
	10	14	4	1.1	
	107	115	8	0.6	
	122	126	4	0.5	
	142	145	3	0.6	

**Assays pending for VRC647 to VRC650 and VRC670*

Table 2: Drill Hole Locations and Details

Hole Number	MGA Easting	MGA Northing	Local Easting	Local Northing	RL	Depth	Dip	MGA Azimuth	Local Azimuth	Prospect
GBD015	414548	7193706	16505	10105	312	270.85	-60	155	180	Zone 126
GBD018	414518	7193698	16475	10110	312	264.85	-60	155	180	Zone 126
VRC629	410089	7191482	11525	9950	290	120	-60	155	180	Apollo
VRC630	410078	7191505	11525	9975	290	140	-60	155	180	Apollo
VRC631	410068	7191528	11525	10000	290	170	-60	155	180	Apollo
VRC632	410043	7191462	11475	9950	290	120	-60	155	180	Apollo
VRC633	410033	7191484	11475	9975	290	150	-60	155	180	Apollo
VRC634	409994	7191450	11425	9960	290	50	-60	155	180	Apollo
VRC635	409986	7191407	11400	9925	290	50	-60	155	180	Apollo
VRC636	409965	7191453	11400	9975	290	50	-60	155	180	Apollo
VRC637	409944	7191498	11400	10025	290	50	-60	155	180	Apollo
VRC638	409919	7191432	11350	9975	290	50	-60	155	180	Apollo
VRC639	409909	7191455	11350	10000	290	60	-60	155	180	Apollo
VRC640	409886	7191444	11325	10000	290	36	-60	155	180	Apollo
VRC641	409869	7191481	11325	10040	290	81	-60	155	180	Apollo
VRC642	409847	7191470	11300	10040	290	80	-60	155	180	Apollo
VRC643	409830	7191446	11275	10025	290	60	-60	155	180	Apollo
VRC644	409799	7191514	11275	10100	290	50	-60	155	180	Apollo
VRC645	409739	7191404	11175	10025	290	60	-60	155	180	Icon
VRC646	409729	7191427	11175	10050	290	70	-60	155	180	Icon
VRC647*	409718	7191450	11175	10075	290	90	-60	155	180	Icon
VRC648*	409708	7191472	11175	10100	290	120	-60	155	180	Icon
VRC649*	409671	7191494	11150	10135	290	170	-60	155	180	Icon
VRC650*	409704	7191361	11125	10000	290	30	-60	155	180	Icon
VRC651	409694	7191383	11125	10025	290	60	-60	155	180	Icon
VRC652	409683	7191406	11125	10050	290	90	-60	155	180	Icon
VRC653	409673	7191429	11125	10075	290	90	-60	155	180	Icon
VRC654	409663	7191451	11125	10100	290	120	-60	155	180	Icon
VRC655	409652	7191474	11125	10125	290	150	-60	155	180	Icon
VRC656	409638	7191385	11075	10050	290	50	-60	155	180	Icon

Hole Number	MGA Easting	MGA Northing	Local Easting	Local Northing	RL	Depth	Dip	MGA Azimuth	Local Azimuth	Prospect
VRC657	409628	7191408	11075	10075	290	70	-60	155	180	Icon
VRC658	409617	7191431	11075	10100	290	100	-60	155	180	Icon
VRC659	409607	7191453	11075	10125	290	100	-60	155	180	Icon
VRC660	409596	7191476	11075	10150	290	140	-60	155	180	Icon
VRC661	409563	7191488	11050	10175	290	130	-60	155	180	Icon
VRC662	409593	7191364	11025	10050	290	60	-60	155	180	Icon
VRC663	409572	7191410	11025	10100	290	100	-60	155	180	Icon
VRC664	409561	7191432	11025	10125	290	130	-60	155	180	Icon
VRC665	409551	7191455	11025	10150	290	110	-60	155	180	Icon
VRC666	409541	7191477	11025	10174	290	140	-60	155	180	Icon
VRC667	409530	7191500	11025	10200	290	170	-60	155	180	Icon
VRC668	409507	7191490	11000	10200	290	190	-60	155	180	Icon
VRC669	409537	7191366	10975	10075	290	80	-60	155	180	Icon
VRC670*	409526	7191389	10975	10100	290	120	-60	155	180	Icon
VRC671	409516	7191411	10975	10125	290	150	-60	155	180	Icon

**Assays Pending*

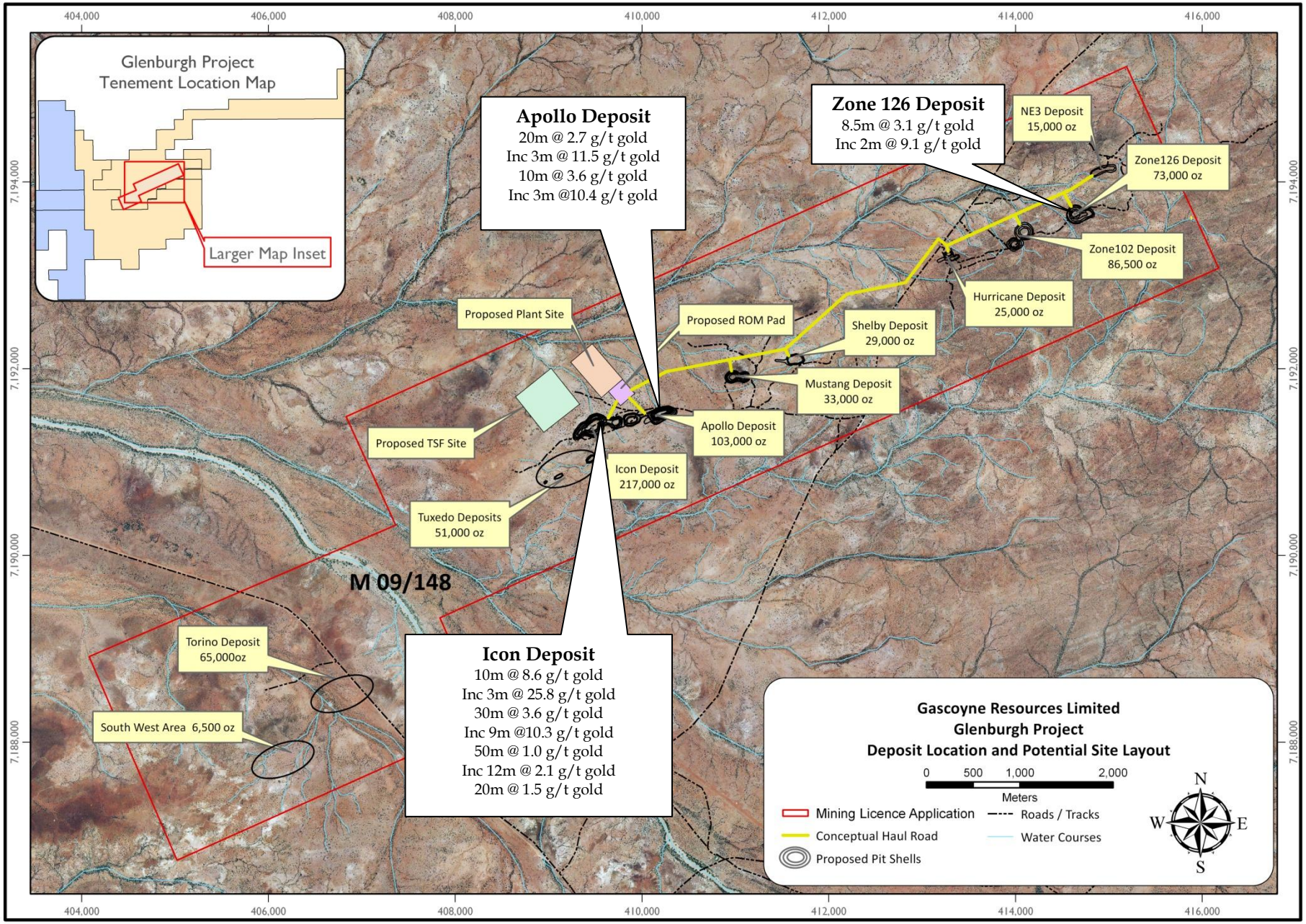

Figure One: Glenburgh Project Deposit Overview and Recent Drill Intersections.

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. (See table 3 for full details on resource breakdown)

- 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

Table 3: Glenburgh Deposits - Resource Summary (0.5g/t Au Cut-off)

Area	Glenburgh Mineral Resource 2012								
	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

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 RC drilling with samples being collected at one metre intervals and a riffle split subsample of approximately 2-4 kg was sent to MinAnalytical Laboratory Services Pty Ltd in Perth Western Australia. The sample was fully pulverized and analysed for gold using a 50 gram lead collection fire assay digest and an atomic absorption spectrometry finish to a 0.01ppm Au detection limit. Full analytical quality assurance – quality control (QA/QC) is achieved using a suite of certified standards, laboratory standards, field duplicates, laboratory duplicate, repeats, blanks and grind size analysis.

The spatial location of the samples is derived using surveyed local grid co-ordinates, GPS collar survey pickups, and Reflex single shot downhole surveys taken every 30m down hole.

Intersections have been reported using a 0.5g/t cutoff and allowance for up to 4m of internal waste. Some +0.5g/t intersections have not been reported if they are single metre 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.