

10 December 2012
Australian Securities Exchange Limited
Via Electronic Lodgement

A\$3.66 MILLION PLACEMENT

- Gascoyne Resources Limited ("Gascoyne" or the "Company") is pleased to announce a capital raising of \$3.66 million before costs, through a share placement comprising 14,650,000 shares at \$0.25 cents per share to overseas and Australian institutional and sophisticated investors.
- The funds raised will allow Gascoyne to maintain its aggressive exploration and resource growth drilling strategy at the Company's 100% owned 1.04 million ounce Glenburgh gold project, while finalizing the Feasibility Study into development at Glenburgh, and commencing exploration at the newly acquired 380,000 ounce Dalgaranga gold project.

Placement

The Company has secured commitments totalling approximately \$3.66 million (fully utilising the Company's capacity under the ASX Listing Rules) via the issue of 14.65 million new fully paid ordinary shares at \$0.25 (the "Placement") to domestic and international institutional and sophisticated investors. Shares issued under the Placement rank equally in all respects with existing shares. Following the Placement, Gascoyne will have approximately 151.3 million shares on issue.

The attached notice contains information required under section 708A of the Corporations Act in relation to this placement. In addition, we enclose an Appendix 3B notice in respect to the above issue of shares.

Chairman Mike Joyce commented;

"We have transformed the Glenburgh project from a small, stranded gold deposit into a near term development project in the last 20 months, as our technical team has guided an aggressive and successful drill program. Our resource at Glenburgh has grown from around 200,000 ounces to over 1 million ounces at very low discovery cost. This capital raising will allow us to continue resource growth work, looking to add to our mining inventory, and allowing us to contemplate potential for higher production levels and extended mine life as we close in on completion of the Feasibility Study."

For any further information please refer to the company's website or contact the company directly.

On behalf of the Board of Gascoyne Resources Ltd



Michael Dunbar
Managing Director



Background on Gascoyne Resources

Gascoyne Resources Limited was listed on the ASX in December 2009 and is focused on exploration and development of a number of gold projects in Western Australia. The Company's two main gold projects host over **1.4 million ounces of contained gold**:

GLENBURGH (100% GCY):

The Glenburgh Project in the Gascoyne region of Western Australia, has an Indicated and Inferred resource of: 27.1 Mt @ 1.2g/t Au for 1,040,000oz gold from several prospects within a 17km long shear zone (see Table 1)

A Feasibility Study is nearing completion on the Glenburgh project, following a positive Scoping Study completed in late 2011. The study has included approximately 30,000m of resource drilling, metallurgical drilling and testwork, geotechnical, hydro geological and environmental assessments. Resource and mining studies as well as engineering studies and evaluations are well advanced with completion expected within the next 3 months.

Table 1: Glenburgh Deposits -September 2012 Mineral Resource Estimate (0.5g/t Au Cut-off)

Deposit	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	5.5	1.0	176,900	5.2	1.1	187,900	10.7	1.1	364,800
Apollo	1.6	1.6	82,900	2.2	1.1	75,100	3.8	1.3	158,000
Tuxedo	0.9	0.9	26,000	1.5	0.9	44,100	2.4	0.9	70,100
Mustang				1.5	1.0	47,000	1.5	1.0	47,000
Shelby				1.0	1.0	30,700	1.0	1.0	30,700
Hurricane				0.6	1.0	20,200	0.6	1.0	20,200
Zone 102	1.4	1.5	68,500	0.8	1.2	32,600	2.2	1.4	101,100
Zone 126	0.7	3.0	64,300	1.7	1.6	86,800	2.4	2.0	151,100
NE3				0.5	0.9	14,400	0.5	0.9	14,400
Torino				1.6	1.3	65,700	1.6	1.3	65,700
SW Area				0.4	1.1	12,800	0.4	1.1	12,800
Total	10.1	1.3	419,000	17.0	1.1	617,000	27.1	1.2	1,040,000

Note: Discrepancies in totals are a result of rounding

DALGARANGA (80% GCY):

The Dalgara project is located approximately 70km by road NW of Mt Magnet in the Murchison gold mining region of WA and covers the majority of the Dalgara greenstone belt. After discovery in the early 1990's, the project was developed and from 1996 to 2000 produced 229,000 oz's of gold with reported cash costs of less than \$350/oz.

The project contains a remnant JORC Measured and Indicated resource of 7.5 Mt @ 1.6g/t Au for 380,000 ounces of contained gold (see table 2). Given the increase in the gold price since mining operations ceased in 2000, there is significant potential to extract significantly more of the known resource.

Significant exploration also remains outside the known resource with exploration drill results of 22m @ 6g/t gold (including 6m @ 19g/t gold), 6m @ 10.2 g/t gold and 7m @ 10.8 g/t gold that have not been adequately followed up and are yet to be included in the resource.

Table 2: Dalgara Deposits Mineral Resource (0.7g/t Au Cut-off)

Deposit	Measured			Indicated			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Gilbeys	0.598	1.4	26,700	6.888	1.6	354,000	7.486	1.6	380,700
Golden Wings									
Laterite	0.039	0.8	1,000				0.039	0.8	1,000
Vickers Laterite	0.016	1.2	600				0.016	1.2	600
Total	0.653	1.3	28,300	6.888	1.6	354,000	7.541	1.6	382,300

Note: Discrepancies in totals are a result of rounding

Competent Persons Statement

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.