

August 1, 2013
Australian Securities Exchange Limited
Via Electronic Lodgement

DALGARANGA GOLD RESOURCE INCREASES 80% TO 685,000 oz

- **Inclusion of recent Gascoyne drilling and remodelling of the Dalgara Resource has resulted in a 80% increase in ounces at the Gilbeys deposit**
- **Gilbeys Indicated and Inferred Resource revised to 685,000 ounces at a 1.0 g/t cut-off**
- **Excludes recent high grade results from the Golden Wings prospect**
- **Scoping Study to commence**

Gascoyne Resources Limited is pleased to announce a new remodelled resource estimate for the Company's 80% owned Dalgara Gold project in the Gascoyne province of Western Australia (see Figure 3).

The Mineral Resource Estimate has been completed in accordance with the guidelines of the JORC Code (2012 edition). The combined Indicated and Inferred Resource for the Gilbeys deposit now stands at

12.9 Mt @ 1.7 g/t gold for 685,000 ounces of gold (using a 1.0 g/t cut-off)

The resource modelling and estimation has been completed by Elemental Geology Pty Ltd, an external and independent resource consultant. Details of the estimate are contained in Appendix 1.

The significant increase in the resource results from the following:

- Inclusion of data from recent Gascoyne drilling around and beneath the Gilbeys pit
- Interpreting mineralised zones a further 250m south, 110m north and 100m in depth
- Additional hanging wall and footwall zones interpreted
- These additions have been significantly aided by the use of historic mining information, particularly the grade control data which has confirmed continuity of mineralised zones to drilling at depth and along strike

Highlights from the refined resource include:

- 80% increase in Resource ounces
- Resource tonnage increased by 72%
- Higher cut-off grade of 1.0 g/t used compared to 0.7g/t used in the historical resource estimate

A Scoping Study will now commence to investigate the development options for the project.

**Table 1: Gilbeys Deposit
August 2013 Mineral Resource Estimate (1.0 g/t Au Cut-off)**

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Oxide	0.3	1.6	18,000	0.1	1.7	7,100	0.5	1.7	25,100
Fresh	4.4	1.6	222,200	8.0	1.7	438,100	12.4	1.7	660,100
Total	4.7	1.6	240,000	8.2	1.7	445,000	12.9	1.7	685,000

Note: Discrepancies in totals are a result of rounding



Assay results are anticipated within the next week for recent shallow drilling to follow up recently reported high grade intersections including 16m @ 8.7g/t Au at the Golden Wings prospect approximately 3.5km north of the Gilbeys resource.

Additional information will be provided as it becomes available.

On behalf of the Board of
Gascoyne Resources Ltd



Michael Dunbar
Managing Director

Table 2: Dalgaranga Mineral Resource Estimate

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Gilbeys ⁽¹⁾				4.7	1.6	240,200	8.2	1.7	445,200	12.9	1.7	685,300
Golden Wings Laterite	0.04	0.8	1,000							0.04	0.8	1,000
Vickers Laterite	0.02	1.2	600							0.02	1.2	600
Total	0.06	1.1	1,600	4.7	1.6	240,000	8.2	1.7	445,200	12.95	1.7	686,900

Note: Discrepancies in totals are a result of rounding; unless otherwise stated, the above resources are reported at a 0.7 Au g/t cut-off

⁽¹⁾Gilbeys resource cut-off 1.0 Au g/t

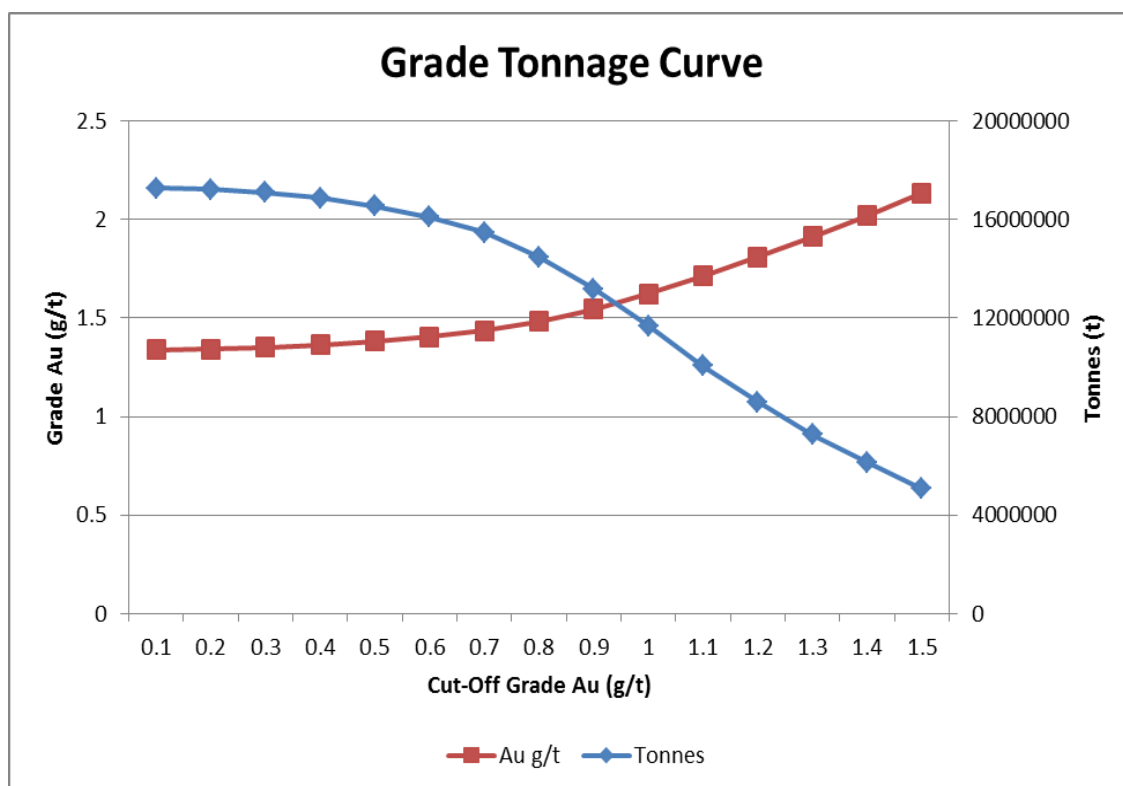


Figure 1: Tonnage Grade Curve - August 2013 Gilbeys Resource

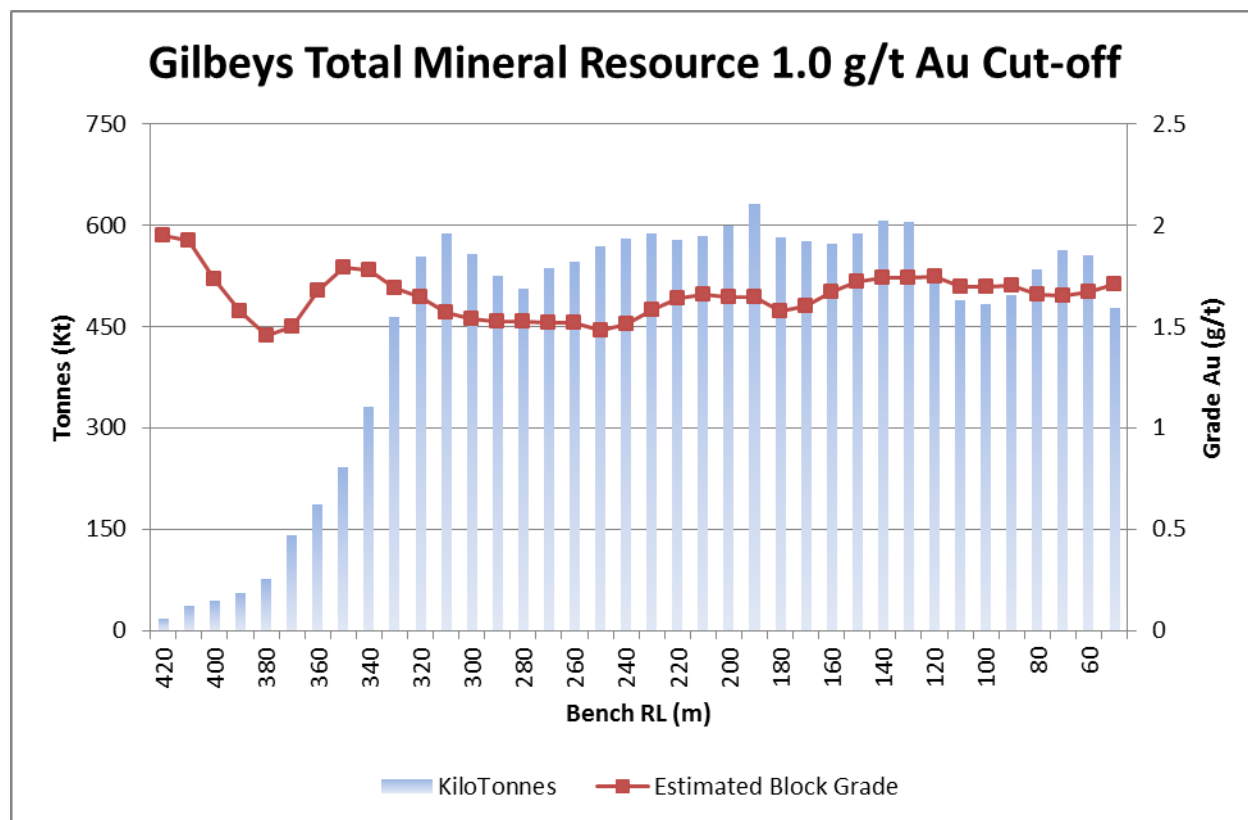


Figure 2: Gilbeys Resource per 10m bench, showing grade and bench tonnage

Competent Persons Statement

The updated resource for the Gilbeys deposit at Dalgara has been estimated for Gascoyne Resources Limited by independent resource consultant Ms Christine Shore a Director of Elemental Geology Pty Ltd who is a member of The Australian Institute of Mining and Metallurgy. Ms Shore 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 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Shore consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to mineral resources for the Glenburgh and Egerton projects are 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 laterite resources quoted for the Dalgara project have been sourced from Equigold NL annual reports, and other publicly available reports which have undergone a number of peer reviews by qualified consultants, that conclude that the resources comply with the JORC code and are suitable for public reporting. Resources quoted for the Glenburgh Project have been estimated for Gascoyne Resources Limited by RungePincokMinarco Limited, an international and independent resource consultancy.

The resources quoted for the Egerton project have been sourced from Exterra Resources reports, prospectus and other publicly available reports and in particular the "Hibernian Gold Deposit Resource Report" by Finore Pty Ltd which have undergone a number of peer reviews by qualified consultants, that conclude that the resources comply with the JORC code and suitable for public reporting. The resource was announced to the ASX by NGM Resources Ltd on 9 August 2005.

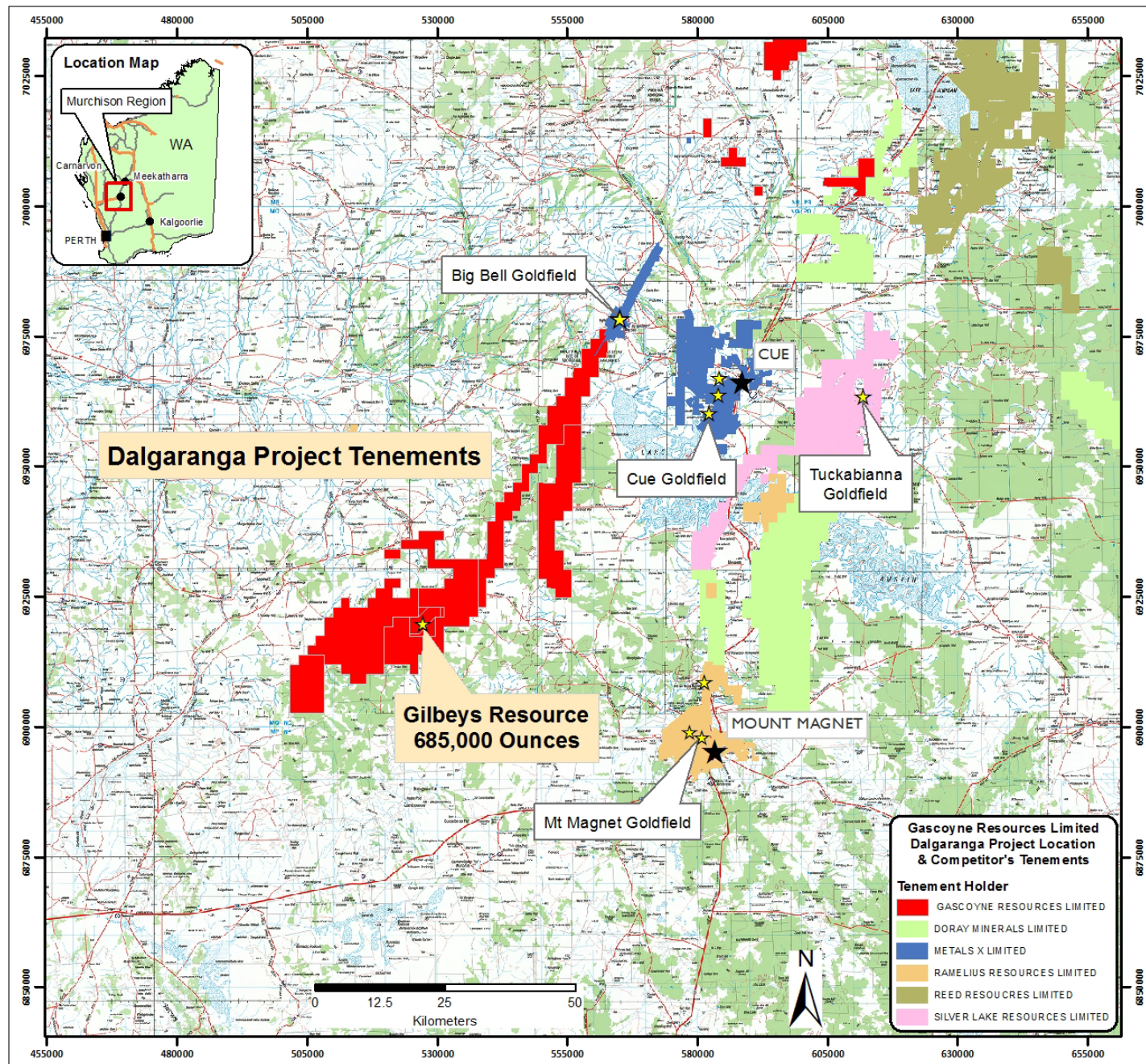


Figure 3: Dalgaranga Project Location

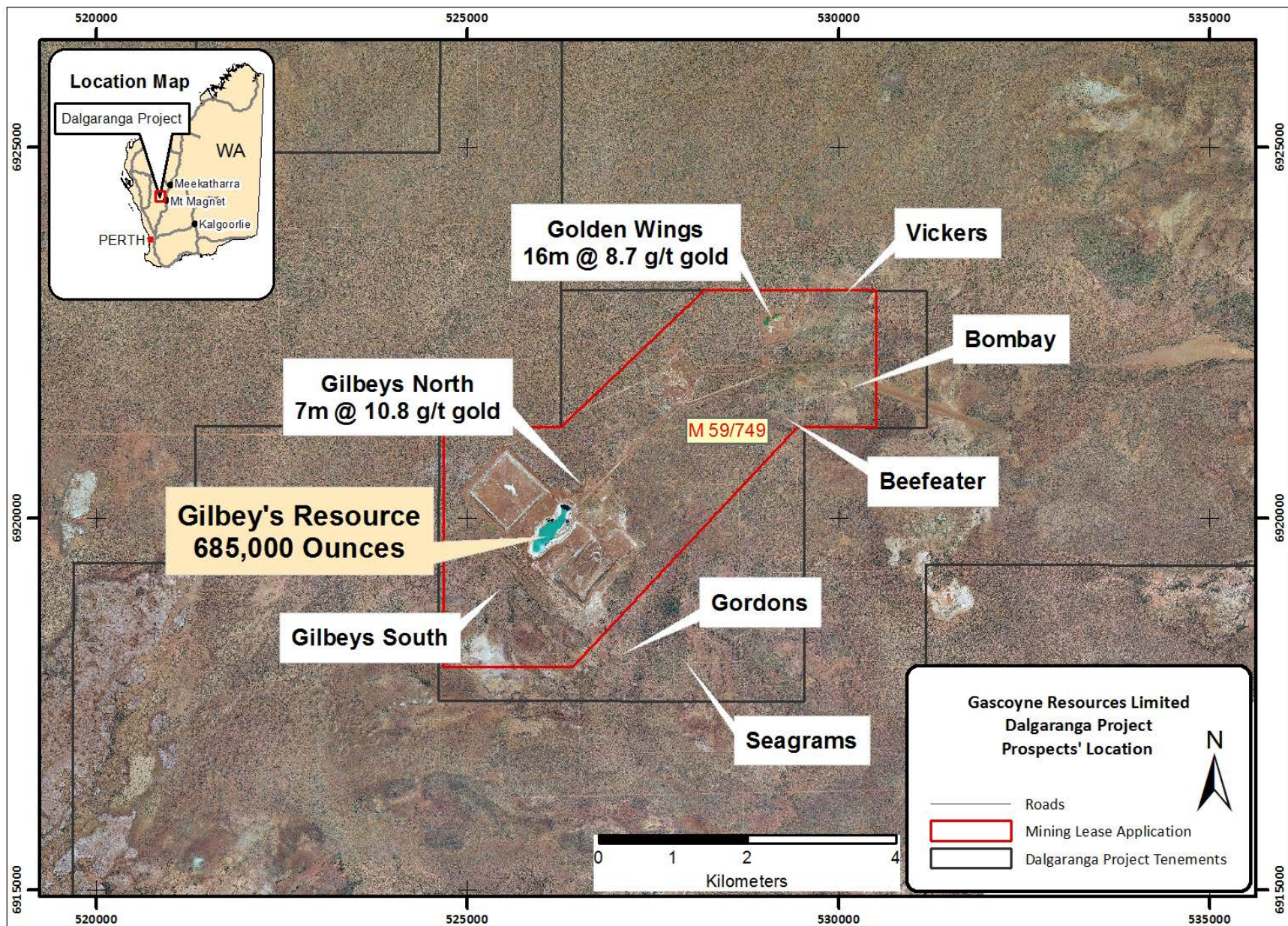


Figure 4: Gilbeys Deposit Location and Resources

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 owns three gold projects which combined have **1.7 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: 21.1 Mt @ 1.5g/t Au for 1.0 million oz gold from several prospects within a 20km long shear zone (see Table 3)

Following a positive Scoping Study completed in late 2011, the Company has commenced a Feasibility Study on the project. The study has included approximately 40,000m 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.

Table 3: Glenburgh Deposits
April 2013 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Transitional	0.5	1.4	22,000	1.4	1.2	53,000	1.9	1.2	80,000
Fresh	6.4	1.8	360,000	12.8	1.4	561,000	19.2	1.5	920,000
Total	6.9	1.7	382,000	14.2	1.3	613,500	21.1	1.5	1,000,000

Note: Discrepancies in totals are a result of rounding

EGERTON (SECURED UNDER OPTION)

The project includes the high grade Hibernian deposit which contains a resource of **116,400 tonnes @ 6.4 g/t gold for 24,000 ounces** in the Measured, Indicated and Inferred JORC categories (Table 4). The deposit lies on a granted mining lease and previous drilling includes high grade intercepts, **2m @ 147.0 g/t gold, 5m @ 96.7 g/t gold and 5m @ 96.7 g/t gold** associated with quartz veining in shallow south-west plunging shoots. The Hibernian deposit has only been drill tested to 70m below surface and there is strong potential to expand the current JORC Resource with drilling testing deeper extensions to known shoots and targeting new shoot positions.

Table 4: Egerton Project: Hibernian Deposit Mineral Resource (2.0g/t Au Cut-off)			
Classification	Tonnes	Au g/t	Au Ounces
Measured Resource	32,100	9.5	9,801
Indicated Resource	46,400	5.3	7,841
Inferred Resource	37,800	5.1	6,169
Total	116,400	6.4	23,811

DALGARANGA (80% GCY):

The Dalgaranga project is located approximately 70km by road NW of Mt Magnet in the Murchison gold mining region of Western Australia and covers the majority of the Dalgaranga 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 contained a remnant JORC Measured, Indicated and Inferred resource of **12.9 Mt @ 1.7g/t Au for 686,900 ounces** of contained gold.(see table 5).

Significant exploration potential also remains outside the known resource with exploration drill results of 22m @ 6g/t gold (including 6m @ 19g/t gold) and 6m @ 10.2 g/t gold and 7m @ 10.8 g/t gold that has not been adequately followed up and is yet to be included in a resource. Initial drilling by Gascoyne in May 2013 returned 16m @ 8.7g/t and 13m @ 2.2 g/t gold from the Golden Wings prospect interpreted to be associated with a high grade east-west trending zone of gold mineralisation.

Table 5: Dalgaranga Mineral Resource Estimate

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Gilbeys⁽¹⁾				4.7	1.6	240,200	8.2	1.7	445,200	12.9	1.7	685,300
Golden Wings							-	-	-			
Laterite	0.039	0.8	1,000							0.04	0.8	1,000
Vickers Laterite	0.016	1.2	600				-	-	-	0.02	1.2	600
Total	0.06	1.1	1,600	4.7	1.6	240,200	8.2	1.7	445,200	12.95	1.7	686,900

Note: Discrepancies in totals are a result of rounding; unless otherwise stated, the above resources are reported at a 0.7 Au g/t cut-off

⁽¹⁾ Gilbeys resource cut-off 1.0 Au g/t

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. The Glenburgh Feasibility Study is near completion. Follow up drilling at the Golden Wings prospect at Dalgaranga commenced in early June 2013. The Company has a 15 month option on the Egerton project; the main focus is to assess the economic viability of trucking ore from Egerton to Glenburgh.

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

Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	The deposit has been drilled using Rotary Air Blast (RAB), Air Core (AC), Reverse Circulation (RC) and Diamond drilling over numerous campaigns by several companies. The majority of holes are on a 25m grid either infilling or extending known prospects. The majority of holes have a dip of -60° but the azimuth varies with prospect drilled. (See table in body of report).
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Sample procedures followed by historic operators are assumed to be in line with industry standards at the time. Current QAQC protocols include the analysis of field duplicates and the insertion of appropriate commercial standards. Based on statistical analysis of these results, there is no evidence to suggest the samples are not representative.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	RC drilling was used to obtain 1m samples which were split by either cone or riffle splitter at the rig to produce a 3 – 5 kg sample. A 4m composite sample of approximately 3 – 5 kg was also collected from the top portion of the holes considered unlikely to host significant mineralisation. The samples were shipped to the laboratory for analysis via 25g Fire Assay. Where anomalous results were detected, the single metre samples were collected for subsequent analysis, also via 25g Fire Assay. A 4m composite sample of approximately 3 – 5 kg was collected for all AC drilling. This was shipped to the laboratory for analysis via a 25g Aqua Regia digest with reading via a mass spectrometer. Where anomalous results were detected, single metre samples were collected for subsequent analysis via a 25g Fire Assay.
Drilling techniques	Drill type (e.g core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	RC drilling used a nominal 5 ½ inch diameter face sampling hammer. AC drilling used a conventional 3 ½ inch face sampling blade to refusal or a 4 ½ inch face sampling hammer to a nominal depth.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	RC and AC sample recovery is visually assessed and recorded where significantly reduced. Very little sample loss has been noted.

Criteria	JORC Code explanation	Commentary
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform sample and these were routinely cleaned. AC samples were visually checked for recovery moisture and contamination. A cyclone was used and routinely cleaned. 4m composites were speared to obtain the most representative sample possible.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Sample recoveries are generally high. No significant sample loss has been recorded with a corresponding increase in Au present. Field duplicates produce consistent results. No sample bias is anticipated, and no preferential loss/gain of grade material has been noted.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Detailed logging exists for most historic holes in the data base. Current RC and AC chips are geologically logged at metre intervals and to geological boundaries respectively. RC chip trays and end of hole chips from AC drilling have been stored for future reference.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining.
	<i>The total length and percentage of the relevant intersections logged.</i>	All current drill holes are logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No diamond drilling has been completed by Gascoyne Resources on the tenement.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC chips were riffle or cone split at the rig. AC samples were collected as 4m composites (unless otherwise noted) using a spear of the drill spoil. Samples were generally dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	RC and AC samples are dried. If the sample weight is greater than 3kg, the sample is riffle split. It is then pulverised to a grind size where 85% of the sample passes 75 micron.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QAQC procedures included the insertion of 4% certified reference 'standards' and 2% field duplicates for RC and AC drilling.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Field duplicates were collected during RC and AC drilling. Further sampling (lab umpire assays) will be conducted if it is considered necessary.

Criteria	JORC Code explanation	Commentary
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	A sample size of between 3 and 5 kg was collected. This size is considered appropriate and representative of the material being sampled given the width and continuity of the intersections, and the grain size of the material being collected.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	All RC samples were analysed using a 25g charge Fire Assay with an AAS finish which is an industry sample for gold analysis. A 25g aqua regia digest with an MS finish has been used for AC samples. Aqua regia can digest many different mineral types including most oxides, sulphides and carbonates but will not totally digest refractory or silicate minerals. Historically the samples have been analysed by both aqua regia digest and a leachwell process. Significant differences were recorded between these analytical techniques.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No geophysical tools etc. have been used at Dalgaranga.
	<i>Nature of quality control procedures adopted (e.g standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Field QAQC procedures include the insertion of both field duplicates and certified reference 'standards'. Assay results have been satisfactory and demonstrate an acceptable level of accuracy and precision. Laboratory QAQC involves the use of internal certified reference standards, blanks, splits and replicates. Analysis of these results also demonstrates an acceptable level of precision and accuracy.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	At least 3 company personnel verify all intersections in drill chips.
	<i>The use of twinned holes.</i>	No twinned holes have been drilled to date by Gascoyne Resources.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Field data is collected using Field Marshal software on tablet computers. The data is sent to Mitchell River Group for validation and compilation into an SQL database server
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to assay data apart from values below the detection limit which are assigned a value of negative the detection limit
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	At this stage drill collars have been surveyed by hand held GPS to an accuracy of about 5m. The RC drill holes will be picked up by DGPS in the future. A down hole survey was taken at least every 30m in RC holes by electronic multishot tool by the drilling contractors.

Criteria	JORC Code explanation	Commentary
	<i>Specification of the grid system used.</i>	The grid system is MGA_GDA94 Zone 50
	<i>Quality and adequacy of topographic control.</i>	The topographic surface has been sourced from historic data used during the operation of the mine. It is considered to be of sufficient quality to be valid for this stage of exploration.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results</i>	Initial exploration by Gascoyne Resources is targeting discrete areas that may host mineralisation. Consequently current drilling is not grid based, however when viewed with historic data, the drill holes generally lie on existing grid lines and within 25m – 100m of an existing hole.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.
	<i>Whether sample compositing has been applied.</i>	4m composite samples were collected from the upper parts of RC drill holes where it was considered unlikely for significant gold mineralisation to occur. Where anomalous results were detected, the single metre riffle split samples were collected for subsequent analysis. 4m composite samples were collected during AC drilling.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Drilling sections are orientated perpendicular to the strike of the mineralized host rocks at Dalgaranga. This varies between prospects and consequently the azimuth of the drill holes also varies to reflect this. The drilling is angled at -60° which is close to perpendicular to the dip of the stratigraphy.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No orientation based sampling bias has been identified in the data at this point.
Sample security	<i>The measures taken to ensure sample security.</i>	Chain of custody is managed by Gascoyne Resources. Samples are delivered daily to the Toll depot in Mt Magnet by Gascoyne Resources personnel. Toll delivers the samples directly to the assay laboratory in Perth.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Data is validated by Mitchell River Group whilst loading into database. Any errors within the data are returned to Gascoyne Resources for validation.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
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Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Dalgaranga project is situated on tenement number E59/1709. The tenement is currently held under a JV arrangement with Mr Jaime McDowell. Gascoyne Resources has an 80% interest in the tenement.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing and no known impediments exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The tenement has been previously explored by numerous companies including BHP, Newcrest and Equigold. Mining was carried out by Equigold in a JV with Western Reefs NL from 1996 – 2000.
Geology	Deposit type, geological setting and style of mineralisation.	Regionally, the Dalgaranga project lies in the Archean aged Dalgaranga Greenstone Belt in the Murchison Province of Western Australia. Gold mineralisation is associated with quartz-pyrite-carbonate veins within a sheared porphyry-shale package and also occurs in the overlying weathered profile.
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Refer to Tables in body of text.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assays have been length weighted if appropriate. No top cuts have been applied. A nominal 0.5ppm Au lower cut off has been applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of	High grade Au intervals lying within broader zones of Au mineralisation are reported as included intervals. In calculating the zones of mineralisation a maximum of 4 metres of internal dilution is

Criteria	JORC Code explanation	Commentary
	<i>such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	allowed. No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	The mineralized zones at Dalgaranga vary in strike between prospects, but all are relatively steeply dipping. Drill hole orientation reflects the change in strike of the rocks and consequently the downhole intersections quoted are believed to approximate true width.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to figures within body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All results are reported.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other significant exploration work had been completed by Gascoyne Resources.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Dalgaranga will continue to be drilled to extend the current resource at Gilbey's Pit and delineate further resources at Golden Wings and other prospects.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to figures in body of text.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
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Criteria	JORC Code explanation	Commentary
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Geological and field data is collected using Field Marshall software on tablet computers.
	Data validation procedures used.	The data is verified by company geologists before the data is sent to Mitchell River Group for further validation and compilation into a SQL database server. Historic data has been verified by checking historical reports on the project.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	Christine Shore, Director of Elemental Geology Pty Ltd worked as a Mine Geologist during the mining of the Gilbeys deposit from 1996 - 2000 and undertook management of the grade control, resource drilling and estimation at that time. Drilling and sampling protocols were considered to meet industry standards. In addition Gascoyne geologist have undertaken work programs including exploration and resource drilling at the Gilbeys deposit which are subject to review by experienced Gascoyne technical staff.
	If no site visits have been undertaken indicate why this is the case.	Not applicable.
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	The confidence in the geological interpretation is high, gold mineralisation is associated with quartz pyrite carbonate veins within a sheared porphyry-shale package. The mineralised zones are well defined and confirmed by historical mining.
	Nature of the data used and of any assumptions made.	The data used to construct the geological model included pit mapping, resource outlines and the use of very detailed grade control drilling with gold assays. This resulted in defining 10 mineralised parallel lodes.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The detailed data available from the initial mining of the Gilbeys deposit strongly supports the interpretation. There is no alternate interpretation in the company's opinion.

Criteria	JORC Code explanation	Commentary
	<i>The use of geology in guiding and controlling Mineral Resource estimation.</i>	The mineralisation is strongly focused in the shale –porphyry lithological package. Both the mineralised zones and the lithology units have similar steep WNW dips especially in the fresh material. In the weathered zones there is some modification of the geometry of the mineralisation but this is well constrained by the close spaced drilling and the extrapolation from the detailed grade control drilling.
	<i>The factors affecting continuity both of grade and geology.</i>	The presence or absence of the porphyry-shale lithological package within a broad shear zone affects the continuity of the gold grade. In the oxide zones gold mineralisation is effected by redox-weathering fronts which have the effect of flattening the gold zones in a SE direction.
Dimensions	<i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>	Mineralisation strikes approximately north-east, dipping around 60 degrees to the north-west. The mineralised zone is contained within 10 parallel lodes, with the main lode containing 80% of the total resource. The extent of mineralisation is 1060 metres long, up to 350 metres in width (of all domains) and to a depth of 400 metres. The deposit remains open at depth and with some strike potential.
Estimation and modelling techniques	<i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i>	Grade estimation using Ordinary Kriging (OK) was completed using Surpac v6.4 modeling software for the resource interpolation, Isatis and Snowden Supervisor v8.1 was used for variography and statistics. Drill grid spacing ranges from 25 – 50 metres. Drillhole sample data was flagged using domain codes generated from three dimensional mineralisation domains and then used to create the composite files. 1m assay composites were used. The influence of extreme grade outliers was reduced by top-cutting. The top cut was determined by using a combination of grade histograms, log probability plots and CV's. Directional variograms were modelled using traditional variograms or log transformations. Nugget values are moderate. Grade continuity was characterised by long ranges (approximately 130m). Estimation searches for gold were set to the ranges from the variogram.
	<i>The availability of check estimates, previous estimates and/or mine</i>	Historical life of mine production records including reserve data,

Criteria	JORC Code explanation	Commentary
	<i>production records and whether the Mineral Resource estimate takes appropriate account of such data.</i>	grade control database, mined ore blocks and bench mapping were used in the resource modeling process.
	<i>The assumptions made regarding recovery of by-products.</i>	No by-products were considered
	<i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i>	No deleterious elements are present
	<i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i>	- The block model was constructed with parent blocks of 5mE by 5mN by 5mRL. Quantitative analysis was undertaken to assess the most appropriate parameters for each domain. Ordinary kriging (OK) to the parent block size was used to estimate Gold. For all estimations a discretisation matrix of 3x3x3 was used. Directional variograms were calculated and modeled for domain 1 only due to the amount of data. Variogram ranges show gold continuity of 137m along strike, 50m down dip and 24m across strike. Gold grade continuity analysis matched the interpreted trend of the domains. Nugget values were 43% and are considered acceptable for this style of deposit. Variography from domain 1 was applied to the remaining domains. Up to three estimation passes with increasing search neighbourhood size were run for all domains, with the distance determined by the ranges within the variography. The range of estimation passes used for the estimation of mineralised domains was: - o Pass 1 – 50 - o Pass 2 – 130 - o Pass 3 – 250 A minimum of 6 and maximum of 20 composites were used per estimate for Pass 1 and with a minimum of 4 and maximum of 20 composites used for Pass 2 and Pass 3. The search was limited to 4 samples per drill hole for pass 1, and 3 samples per drill hole for pass 2 and 3.

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	<i>Any assumptions behind modelling of selective mining units.</i>	No selective mining units were assumed in this estimate.
	<i>Any assumptions about correlation between variables.</i>	There was no correlation between variables (only gold estimated)
	<i>Description of how the geological interpretation was used to control the resource estimates.</i>	Geological interpretations were completed on 25m sections, using resource drilling, grade control data and in pit bench mapping to guide interpretations. 3D wireframes were then constructed around these interpretations, creating 10 domains. In addition to these mineralised domains, a base of oxidation was also constructed. These domains were used as a hard boundary to select the sample populations for variography and estimation.
	<i>Discussion of basis for using or not using grade cutting or capping.</i>	An analysis was carried out of the grade distribution characteristics of the domain composites. Log-probability graphs revealed an inflection point of 8g/t where the high grade samples deviated. This value also correlated with the historical top cut used during mining and allowed the opportunity for comparing like data with like from reconciliations.
	<i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i>	The block model was validated against the input drillhole composites for each domain. Comparisons were also carried out against the declustered drillhole samples by northing, easting and elevation slices. An Inverse Distance squared and nearest neighbour interpolation was also carried out to provide a comparison of the estimate.
Moisture	<i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	The resource tonnage is reported using dry bulk density.
Cut-off parameters	<i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>	The Gold Mineral Resources has been reported inside the mineralisation wireframe that was constructed at a 0.7 g/t Au cut-off % and then further constrained to 1.0 g/t Au during estimation. These parameters are the same used for the historical reserve and mining.
Mining factors or	<i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining</i>	Mining of the deposit will be dominantly by open cut mining, similar to the size and scale of the original mining operation.

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assumptions	<i>reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Metallurgical testwork was conducted on the original Gilbeys resource by the company Equigold prior to the construction of a Processing Plant. Equigold mined the deposit from 1996 to 2000. The company has access to extensive reconciliation records from that period of operation. The remaining mineralisation has the same characteristics to the mined resource. The company makes the assumption the resource will have the same metallurgical characteristics and will be amenable to similar treatment processes.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	Existing waste dumps and a tailings storage facility lie in close proximity to the Gilbeys deposit. It has been assumed that similar environmental factors will apply at Gilbeys into the future.
Bulk density	Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.	Specific gravities were based on a suite of 27 drill core samples selected at various levels and positions, and calculated by using the percentage of each material present in each R.L.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.	The method used the air dried half core sample weighed in air and then in water, the results of which were used to estimate the density.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	Values for ore determined are: Oxide 2.00 T/M3 Transitional 2.40 T/M3 Fresh 2.80 T/M3

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Classification	The basis for the classification of the Mineral Resources into varying confidence categories.	Mineral Resources have been classified on the basis of confidence in the geological and grade continuity using the drilling density, geological model, pass in which the gold was estimated and the block model estimation error variances (including the slope of regression and kriging variance). Indicated Mineral Resources have been defined generally in areas of 50m by 50m drill spacing and in Pass 1. Inferred Mineral Resources have been defined generally in areas greater less than 130m by 130m drill spacing and in Pass 2. Areas estimated in Pass 3 have not been reported or classified
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	As described above the Mineral Resource classification has been based on the quality of the data collected (geology, survey, assay data) the density of the data, grade estimation quality and geological and mineralisation model.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The reported resource is consistent with the view of the deposit by the Competent Person.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	An internal review has been carried out by Michael Dunbar, which include wireframe validation and resource estimation methodology and validation.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.	The relative accuracy of the Mineral Resource Estimate is reflected in the reporting of the Mineral Resource as per the guideline of the 2012 JORC code. The classification is supported by a sound understanding of the geology of the deposit, the drill hole spacing, historic mining data and a reasonable dataset supporting the density used in the resource model. The long involvement of the competent person with the operational history of the mine also adds to the accuracy of the resource.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The statement relates to the global estimate of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The mineralised 3D model and resource estimate correlates with the historic ore production providing further confidence of the resource estimate.