

September 25th, 2013
Australian Securities Exchange Limited
Via Electronic Lodgement

DALGARANGA MINING LEASE GRANTED

- Mining Lease has been granted at the company's Dalgaranga Gold Project which covers:
 - The Gilbeys Deposit (12.9Mt @ 1.7g/t gold for 685,000oz of gold)
 - The newly discovered high grade Golden Wings Prospect - which includes shallow high grade drill intersections of up to 16m @ 8.7g/t gold and 22m @ 6.0 g/t gold
 - Six other historical prospects

Gascoyne Resources Limited is pleased to announce the granting of a mining lease covering the Gilbeys Deposit, the high grade Golden Wings prospect and a number of historical prospects at the Company's 80% owned Dalgaranga Gold project in the Murchison region of Western Australia (see Figure 1).

The mining lease is a major step forward for the company, as it allows for the rapid development of the Gilbeys and Golden Wings which are the subject of the current Dalgaranga scoping study. The low capital cost options being investigated include the trucking of high grade ore to one of the existing gold processing facilities in the region (see Figure 1).

The lease covers an area of 1,652 hectares and has been granted for a 21 year term (see Figure 2).

A 10,000m drill program has commenced to test the extensions of the high grade Golden Wings prospect, where recent drilling has identified a shallow high grade mineralised trend that extends for approximately 400m with recent drill intersections up to 16m @ 8.7 g/t gold, 4m @ 8.2 g/t gold and 5m @ 5.1 g/t gold.

Additionally the initial resource estimate for the Golden Wings prospect is expected to be completed in the next week, and will be included in the current Dalgaranga Scoping Study.

Gascoyne's Chairman Mr Michael Joyce commented:

"This is a positive step towards short term cash flow for Gascoyne. The grant of the Dalgaranga mining lease and the proximity to existing mills puts the Dalgaranga project now ahead of the company's flagship one million ounce Glenburgh project on the critical path to development and opens up the possibility of cash flow from Dalgaranga being applied to building the larger Glenburgh project"

Additional information will be provided as it becomes available.

On behalf of the Board of
Gascoyne Resources Ltd



Michael Dunbar
Managing Director



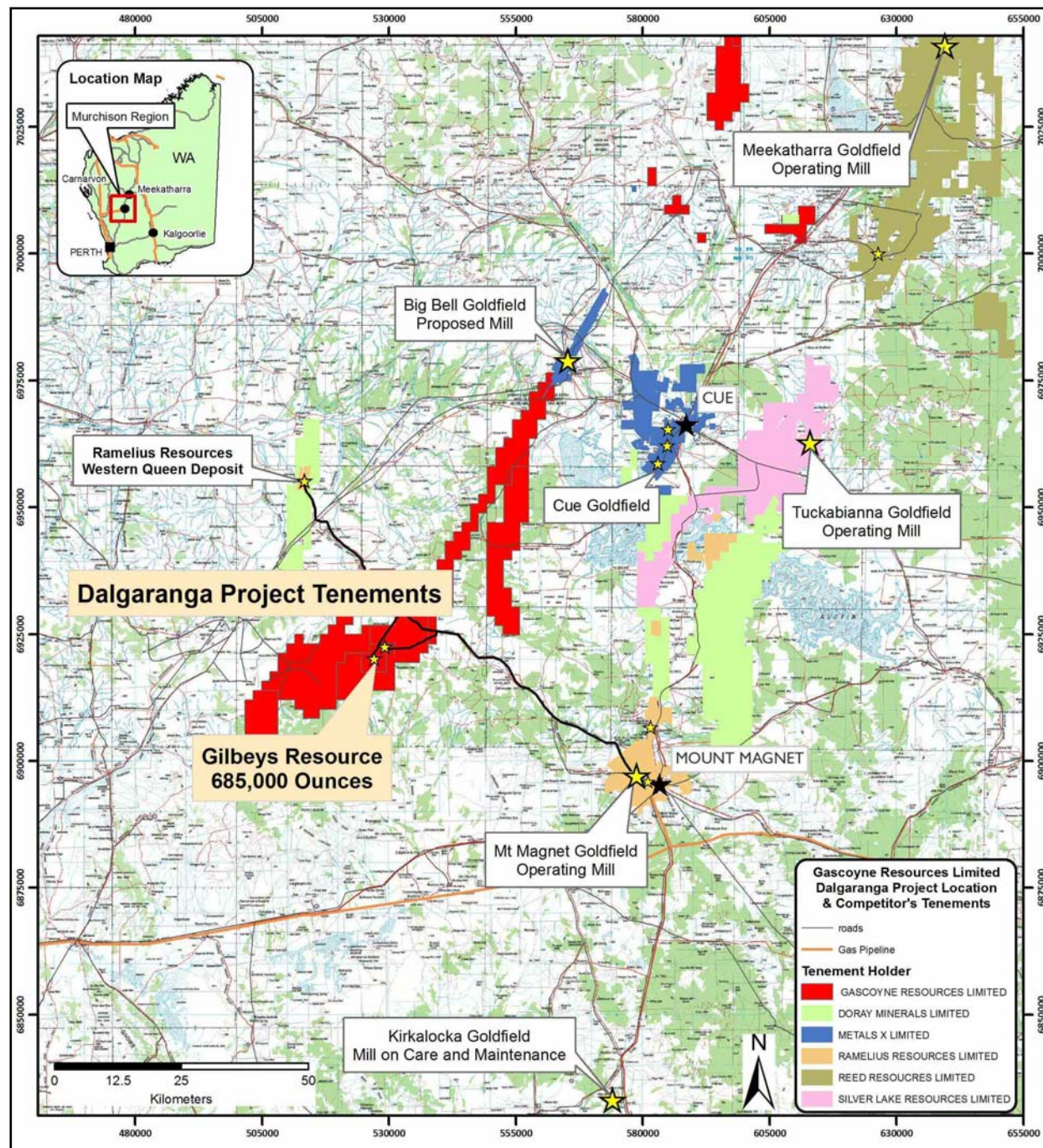


Figure 1: Dalgara Project Location

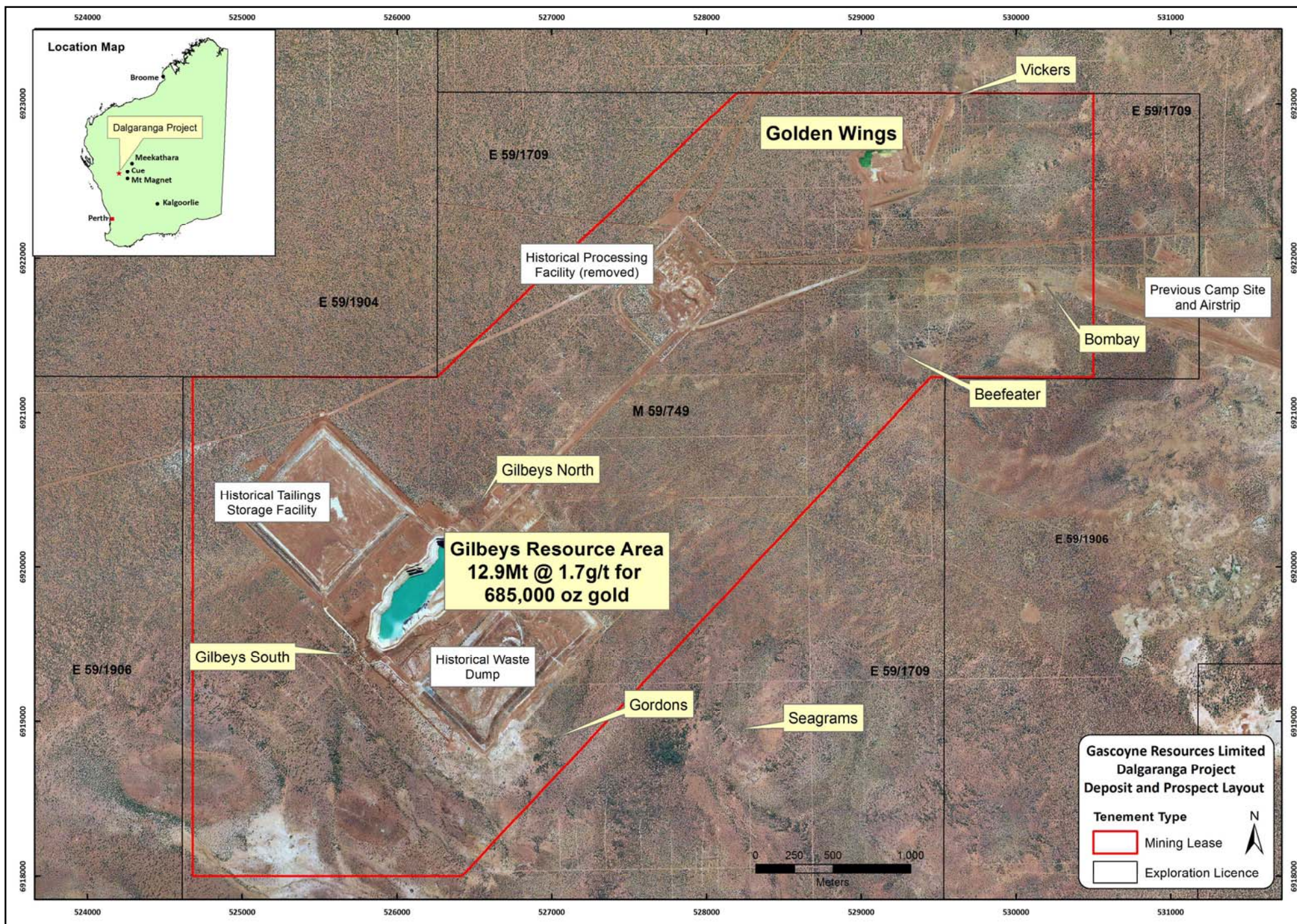


Figure 2: Dalgara Mining Lease Boundary with Deposit and Prospect Locations

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 1)

A preliminary feasibility study on the project has been completed (see announcement 5th of August 2013) that showed a viable project exists, with a mining inventory of 4.9mt @ 2.0g/t for 316,000oz within 12 open pits and one underground operation. The study showed attractive “all in” operating costs of under \$1,000/oz and indicated a strong return with an operating surplus of ~ \$160M over the 4+ year operation. The study has included approximately 40,000m of resource drilling, metallurgical drilling and testwork, geotechnical, hydro geological and environmental assessments. Importantly the resource and resulting study has not included the drilling completed during 2013, which intersected significant shallow high grade zones at a number of the known deposits.

**Table 1: 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 2). 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 2: 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 65km 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 3).

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 3: Dalgara 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 is focused on the continued evaluation of the Glenburgh gold deposits to delineate meaningful increases in the resource base and to continue to explore the Dalgara project with the view to moving towards a low capital cost development as rapidly as possible. The Company also has a 15 month option on the Egerton project; where the focus is to assess the economic viability of trucking high grade ore to either Glenburgh or to another processing facility for treatment and exploration of the high grade mineralisation within the region.

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

Competent Persons Statement

Information in this announcement is extracted from the report entitled "High Grade Dalgara Drill Results" released on the 21st of August 2013 and is available to view on the company's website: www.gascoyneresources.com.au. The company confirms that it is not aware of any new information (other than the grant of the mining lease) or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

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.

Resources quoted for the Glenburgh Project have been estimated for Gascoyne Resources Limited by RungePincockMinarco 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 2004 JORC code and suitable for public reporting. The resource was announced to the ASX by NGM Resources Ltd on 9 August 2005.

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 2004 JORC code and are suitable for public reporting.

The Gilbeys resource has been estimated by Elemental Geology Pty Ltd, an external consultancy, and is reported under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (see GCY -ASX announcement 1st August 2013 titled: Dalgara Gold Resource Increases 80% to 685,000oz) and is available to view on the company's website: www.gascoyneresources.com.au. The company confirms that it is not aware of any new information (other than the grant of the mining lease) or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed (other than the grant of the mining lease). The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.