

29th April 2014

Australian Securities Exchange Limited
Via Electronic Lodgement

SHALLOW HIGH GRADES CONFIRMED AT GOLDEN WINGS

DALGARANGA PROJECT:

- **RC Drilling Update**
 - o RC drilling has confirmed the **shallow high grades** at the Golden Wings deposit. Intersections include:
 - GDRC025
16m @ 4.4 g/t gold (from 14m) to End of Hole
Including 3m @ 20.3 g/t gold (from 14m)
 - GDRC021
17m @ 2.2 g/t gold (from 21m) and
17m @ 3.9 g/t gold (from 43m) to End of Hole
Including 6m @ 8.2 g/t gold (from 54m)
 - GDRC022
14m @ 1.9 g/t gold (from 1m)
Including 6m @ 3.5 g/t gold (from 7m)
 - GDRC026
12m @ 2.8 g/t gold (from 49m)
Including 5m @ 5.1 g/t gold (from 49m)
 - GDRC027
6m @ 2.8 g/t gold (from 54m)
- **3,000m Exploration drilling program scheduled to commence 1st week of May.**

Gascoyne Resources Limited ("Gascoyne" or the "Company") is pleased to advise that the recent infill and extension RC drilling at the Golden Wings Deposit at its 80% owned Dalgaranga gold project in the Murchison region of Western Australia (See Figure 1 & 2) has intersected additional shallow high grade gold. This drilling confirms the high grade nature of the deposit and the interpretation that high grades extend to within a few metres of the surface.

Drilling Update:

RC drilling confirmed the high grade nature of the Golden Wings deposit (See Figure 3). The 9 holes were designed to confirm and extend the interpreted zones of shallow high grade. All of the holes intersected significant mineralisation with individual samples grading up to **45.8 g/t gold**.

The infill holes intersected significant grades and widths of mineralisation including **16m @ 4.4 g/t gold to EOH (including 3m @ 20.3 g/t gold)** from 14m in GDRC025, **14m @ 1.9g/t gold from 1m (including 6m @ 3.5 g/t gold)** in GDRC022, **12m @ 2.8 g/t gold from 49m** in GDRC026, **6m @ 2.8 g/t gold from 54m** in GDRC027. See Table 1 for significant (+1.0 g/t gold) drill intersections and Table 2 for the drill hole collar details.

The eastern most hole (GDRC021) was particularly significant, as it intersected **two wide zones of mineralisation including 17m grading 2.2 g/t (from 21m) and a further 17 m @ 3.9 g/t gold** (from 43m, which included an internal zone of **6m @ 8.2 g/t gold** to the end of the hole at 60m).



This drilling has strongly confirmed the Company's interpretation that the high grade gold extends to within a few metres of surface, immediately below mineralised laterites with no depleted zone encountered.

The grade profile at Golden Wings is very similar to the pre mining grade distribution at the Gilbeys deposit around 3.5km to the South West (within the company's recently granted Mining Lease at Dalgaranga – see Figure 2), where gold mineralisation extended to within 5 metres of surface.

Forward Programme:

Exploration activities are continuing at Dalgaranga. The forward program includes:

- 3,000m regional exploration drill program to test a number of geochemical and structural targets on the recently granted exploration licences at Dalgaranga. This is due to commence in the first week of May, with results expected in late May or early June.
- Update of the Golden Wings Resource model with the recent RC drill results
- Ongoing discussions with local mill operators to investigate development options for Golden Wings.
- Completion of the Scoping Study

The Company remains focused on continued exploration at its three main projects (Glenburgh, Dalgaranga and Mt Egerton), with an aggressive exploration effort over the next few months, funded by the Company's existing cash reserves and recently announced cash saving initiatives.

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: Golden Wings Significant RC Exploration Drill Results (>1.0 g/t gold)

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
DGRC021	21	38	17	2.2	
	43	60	17	3.9	EOH
includes	54	60	6	8.2	EOH
DGRC022	1	15	14	1.9	
includes	7	13	6	3.5	
DGRC023	3	8	5	1.9	
DGRC024	14	15	1	12.0	
	21	30	9	1.3	
DGRC025	1	6	5	1.5	
	14	30	16	4.4	EOH
includes	14	17	3	20.3	
DGRC026	22	23	1	5.8	
	34	35	1	2.2	
	39	40	2	1.6	
	49	61	12	2.8	
includes	49	54	5	5.1	
DGRC027	54	60	6	2.8	
DGRC028	53	67	14	1.4	
includes	57	62	5	2.5	
	72	74	2	1.3	
DGRC029	36	37	1	1.8	
	64	66	2	1.1	
	84	94	10	1.5	
	103	104	1	2.2	

Table 2: RC Drill hole Collar Details

Hole ID	GDA East	GDA North	RL	Depth	Dip	Azimuth	Prospect
DGRC021	529313	6922580	428	60	-60	180	Golden Wings
DGRC022	529270	6922538	428	30	-60	180	Golden Wings
DGRC023	529250	6922525	428	30	-60	180	Golden Wings
DGRC024	529250	6922540	428	40	-60	180	Golden Wings
DGRC025	529230	6922525	428	30	-60	180	Golden Wings
DGRC026	529230	6922555	428	70	-60	180	Golden Wings
DGRC027	529210	6922545	428	70	-60	180	Golden Wings
DGRC028	529192	6922552	428	90	-60	180	Golden Wings
DGRC029	529173	6922566	428	120	-60	180	Golden Wings

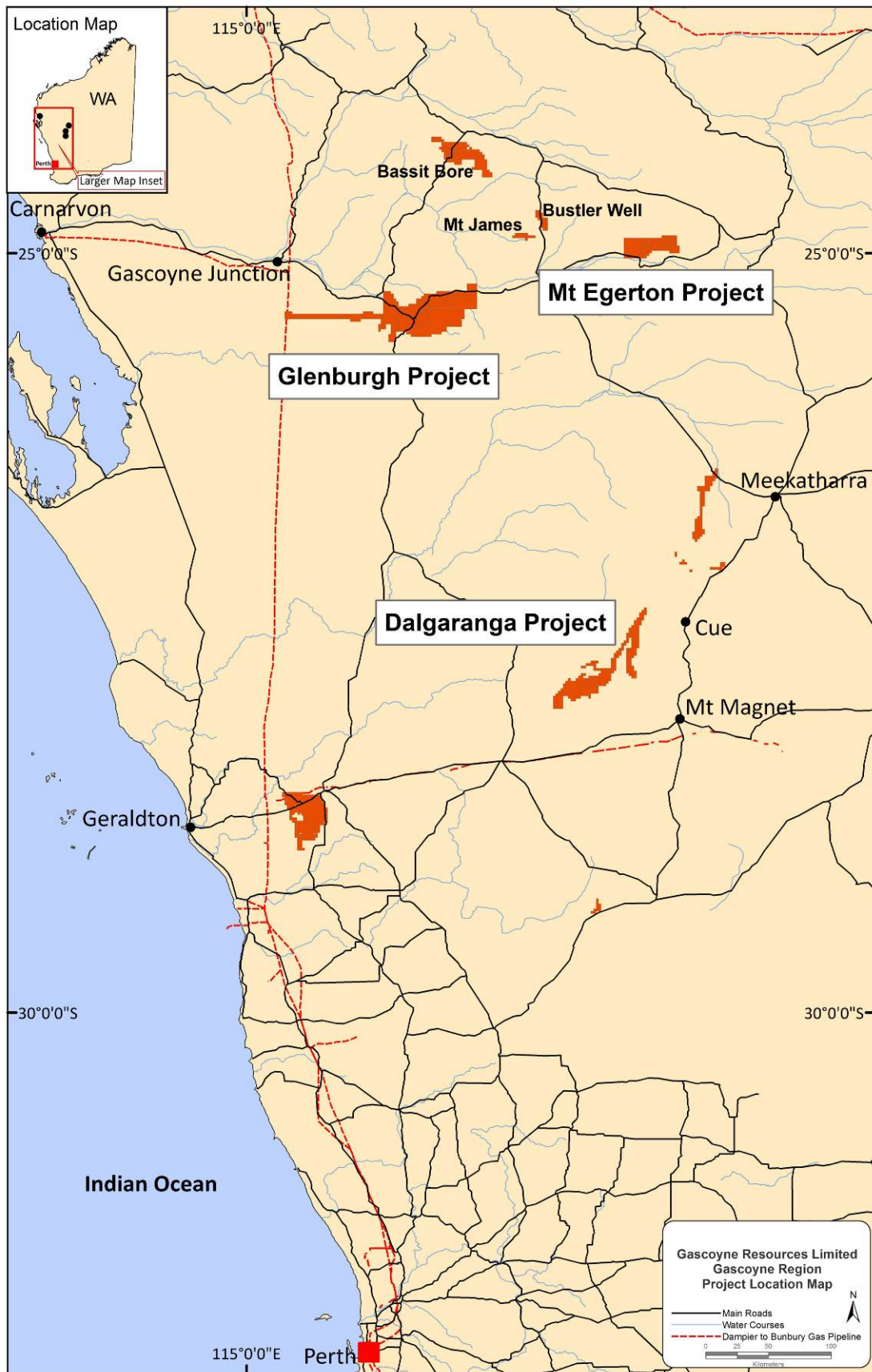


Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

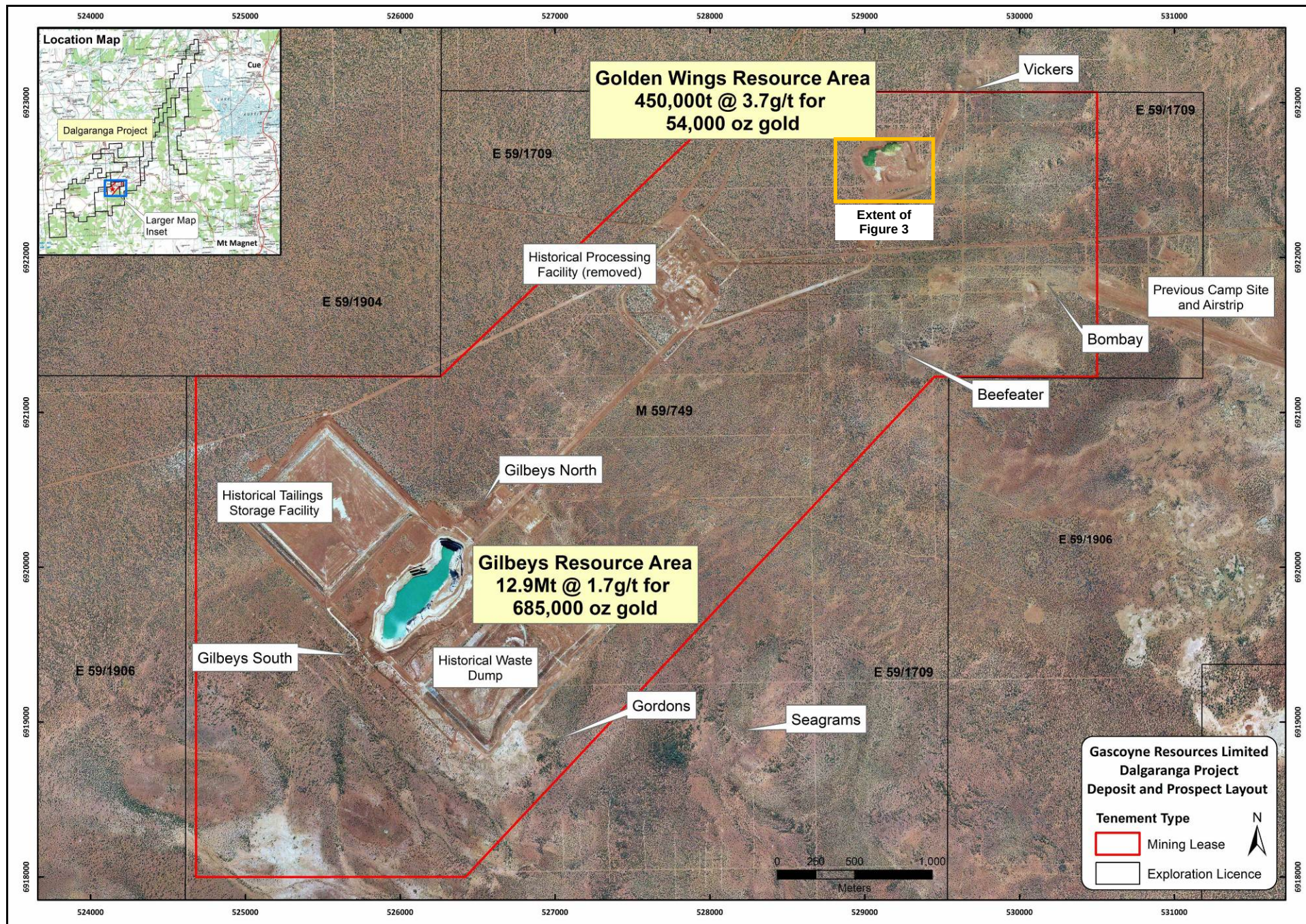


Figure Two: Dalgara Site Layout

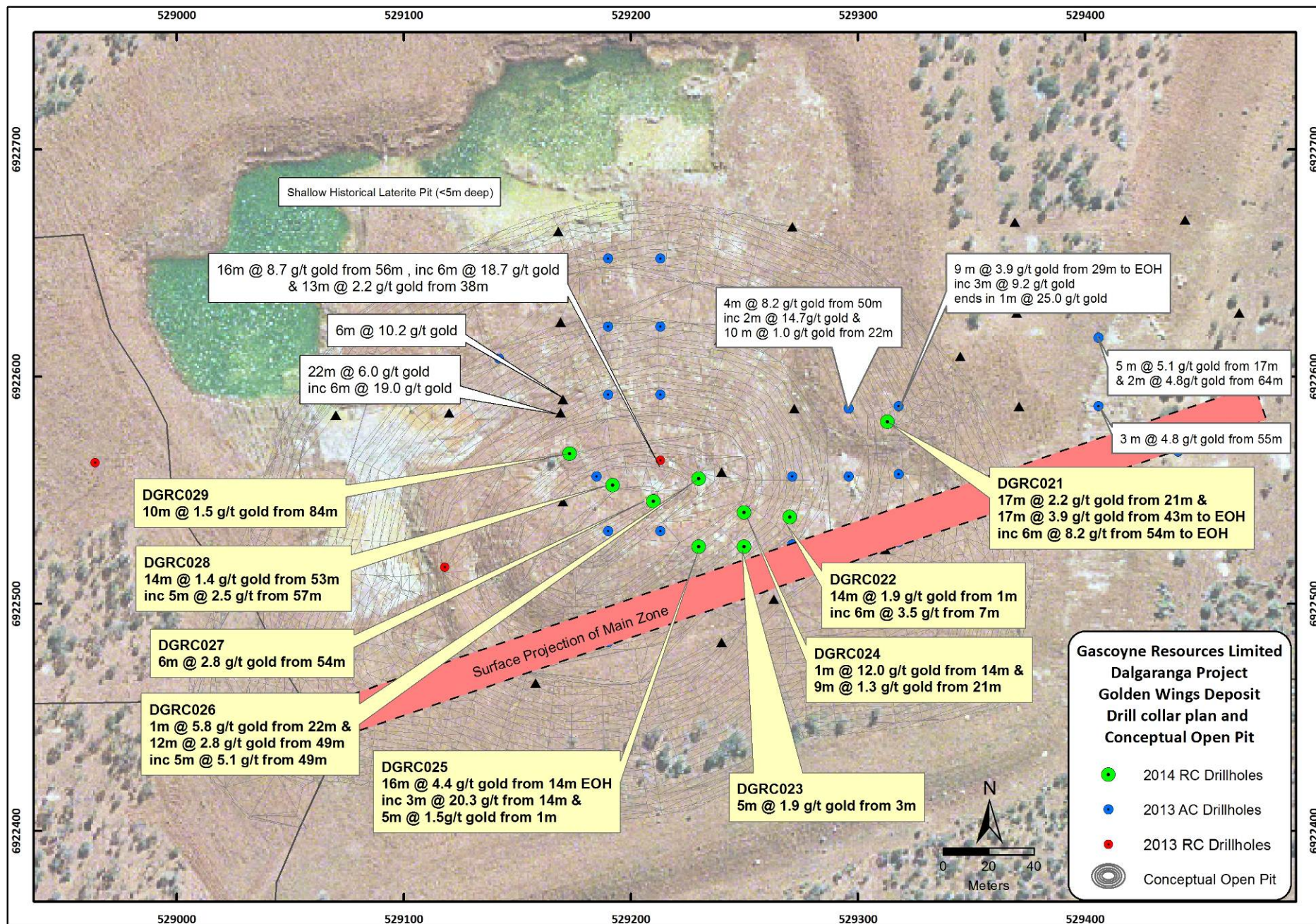


Figure Three: Golden Wings Deposit Drill Hole Location Plan (new holes highlighted in yellow)

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 three gold projects combined have **1.76 million ounces of contained gold on granted Mining Leases**:

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 & 2)

A preliminary feasibility study on the project has been completed (see announcement 5th of August 2013) that showed a viable project exists, with a production target of 4.9mt @ 2.0g/t for 316,000oz (70% Indicated and 30% Inferred resources) within 12 open pits and one underground operation. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The study showed attractive "all in" operating costs of under A\$1,000/oz and indicated a strong return with an operating surplus of ~ A\$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 Project by Material Type
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

Table 2: Glenburgh Deposits - Area Summary
April 2013 Mineral Resource Estimate (0.5g/t Au Cut-off)

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	3.5	1.4	160,400	4.1	1.3	168,000	7.6	1.3	328,400
Apollo	1.2	2.1	81,100	1.6	1.3	69,100	2.8	1.6	150,200
Tuxedo	0.6	1.1	21,800	1.2	1.1	41,300	1.8	1.1	63,100
Mustang				1.0	1.2	40,300	1.0	1.2	40,300
Shelby				0.9	1.2	34,600	0.9	1.2	34,600
Hurricane				0.5	1.3	18,500	0.5	1.3	18,500
Zone 102	0.9	1.9	56,500	1.2	1.3	49,100	2.1	1.6	105,600
Zone 126	0.6	3.2	62,200	1.4	2.2	102,700	2.1	2.5	164,900
NE3				0.2	1.5	11,300	0.2	1.5	11,300
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	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 (100% GCY - 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 3). 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 3: 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 resources of **13.4 Mt @ 1.7g/t Au for 740,900 ounces** of contained gold.(see Table 4).

Significant exploration potential also remains outside the known resource with numerous historical geochemical prospects only partly tested. The Golden Wings deposit is also open along strike and at depth.

Table 4: Dalgaranga Global 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	685,000
Golden Wings⁽²⁾				0.3	4.0	38,000	0.15	3.1	15,000	0.45	3.7	54,000
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	5.0	1.7	278,000	8.35	1.7	460,000	13.4	1.7	740,900

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

(2) Golden Wings resource cut-off 2.0 Au g/t

Gascoyne is continuing to evaluate the Glenburgh gold deposits to delineate meaningful increases in the resource base and progress project permitting, while also continuing to explore the Dalgaranga 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

Information in this announcement relating to exploration results for the Dalgaranga project 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 2012 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.

Information in this announcement relating to JORC 2004 resources at the Glenburgh, Dalgaranga 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 current Glenburgh 2004 JORC resource is classified as Indicated and Inferred and as a result, is not sufficiently defined to allow conversion to an ore reserve; the financial analysis in the preliminary Feasibility Study is conceptual in nature and should not be used as a guide for investment. It is uncertain if additional exploration will allow conversion of the Inferred resource to a higher confidence resource (Indicated or Measured) and hence if a reserve could be determined for the project in the future. Production targets referred to in the preliminary Feasibility Study and in this report are conceptual in nature and include areas where there has been insufficient exploration to define an Indicated mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Laterite Dalgaranga Resources estimate has 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. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Egerton Resource estimate has been sourced from Exterra Resources annual reports and other publicly available reports which have undergone a number of peer reviews by qualified consultants, who conclude that the resources comply with the JORC code and are suitable for public reporting. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Gilbeys and Golden Wings resources have been estimated by Elemental Geology Pty Ltd, an external consultancy, and are 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: Dalgaranga Gold Resource Increases 80% to 685,000oz and GCY ASX announcement 1st October 2013 titled: Initial high grade gold resource at Golden Wings) which are available to view on the company's website: www.gascoyneresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements 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. 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 announcements.

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 and currently by Gascoyne Resources Ltd. The majority of holes are on a 25m grid either infilling or extending known prospects. The majority of drill holes have a dip of -60° but the azimuth varies. This program was RC and all holes had an azimuth of 180°.
	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 (eg '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. In some cases 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 will be collected for subsequent analysis via a 25g Fire Assay.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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.
	Measures taken to maximise sample recovery and ensure	RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform

Criteria	JORC Code explanation	Commentary
	<i>representative nature of the samples.</i> <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 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. 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 1 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. Previous companies have conducted diamond drilling, it is unclear whether ½ core or ¼ core was taken.
	<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. 1m AC resamples are riffle split or speared.
	<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.
	<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.

Criteria	JORC Code explanation	Commentary
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie 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 3m. 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.
	<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

Criteria	JORC Code explanation	Commentary
		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>	In some cases 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 and where anomalous results were detected single metre riffle split or speared samples were collected for subsequent analyses.
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 mineralised host rocks at Dalgara. 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. In some cases company personnel have delivered the samples directly to the lab
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
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 M59/749. 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. Mining Lease M59/749 has just been granted.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The tenement area 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. At Golden Wings gold mineralisation is associated with sericite-chlorite-quartz schist after mafic rocks or sediments and quartz-pyrite-arsenopyrite plunging lodes within biotite-sericite-carbonate-pyrite schist.
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	Refer to Tables in body of text.

Criteria	JORC Code explanation	Commentary
	<i>explain why this is the case.</i>	
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	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, with only intersections >1.0g/t considered significant.
	<i>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 such aggregations should be shown in detail.</i>	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 allowed unless otherwise noted.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	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 mineralised 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.

Criteria	JORC Code explanation	Commentary
<i>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.	No other significant exploration work had been completed by Gascoyne Resources.
<i>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).	Dalgaranga will continue to be drilled to extend the current resource at Gilbeys and delineate further resources at Golden Wings and other prospects.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to figures in body of text.