GASCOYNE RESOURCES LIMITED

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Australian Securities Exchange Limited
Via Electronic Lodgement

SHALLOW HIGH GOLD GRADES FROM GOLDEN WINGS

DALGARANGA PROJECT: Golden Wings Deposit

- **Infill RC Drilling** has returned shallow **high grades** at the Golden Wings deposit.

Results include:

DGRC043;	**21m @ 4.5 g/t gold from 26m**
Including	**16m @ 5.6 g/t gold from 26m**
DGRC048;	**6m @ 3.8 g/t gold from surface**
DGRC045;	**2m @ 6.2 g/t gold from 23m**

Gascoyne Resources Limited ("**Gascoyne**" or the "**Company**") is pleased to advise that the recent infill RC drilling has intersected further shallow high grade gold mineralisation at the Golden Wings Deposit at its 80% owned Dalgaranga gold project in the Murchison region of Western Australia (See Figure 1 & 2). The Dalgaranga gold project has current JORC Measured, Indicated and Inferred resources of **13.4 Mt @ 1.7g/t Au for 740,900 ounces** of contained gold.

Infill RC drilling was conducted at Golden Wings to confirm gold grade continuity and distribution below the mineralised laterite horizon, in order to allow upgrade to Indicated resource status for material in Scoping Study pit optimisation. Results from the drilling confirm the Company's interpretation that high grades extend to surface in places over the deposit and immediately below mineralised laterites. Significant intersections have been returned including **21m @ 4.5 g/t gold** from 26m in DGRC043, **including 16m @ 5.6 g/t gold, 6m @ 3.8 g/t gold** starting from the surface in DGRC048 and **2m @ 6.2 g/t gold** from 23m in DGRC045. Several holes redrilled historic RAB holes with resource quality RC drilling.

This programme is the first portion of a +10,000m 2015 drill programme testing a number of high grade gold targets within the Company's advanced gold projects, which collectively contain approximately 1.8 million ounces of gold.

Forward Programme:
A Scoping Study on development options for Dalgaranga is nearing completion, as well as a revised Mineral Resource for Golden Wings.

The Company will submit before June 30, 2015 its Mining Proposal (MP) for the Glenburgh Project to the Western Australia Department of Mines and Petroleum (DMP). A MP is a key permitting obligation before a mining development can commence.

RC drilling has now also been completed at the Gaffney's Find prospect at the Egerton project, to follow-up on the shallow high gold grades intersected in late 2014, which included 8m @ 11.4 g/t gold (including 4m @ 21.2g/t), 4m @ 9.0 g/t gold and 2m @ 13.7 g/t gold (see ASX announcement dated 1st August 2014).

Further results and information will be provided as they become available.

On behalf of the board of
Gascoyne Resources Limited

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Table 1: Golden Wings Significant RC Exploration Drill Results (>1.0 g/t gold)

Hole ID	Deposit	From (m)	To (m)	Interval (m)	Au Grade g/t
DGRC031	Golden Wings	0	4	4*	0.78
DGRC032	Golden Wings	46	58	12*	0.45
DGRC035	Golden Wings	**36**	**37**	**1**	**3.2**
DGRC037	Golden Wings	24	27	3	1.0
	Golden Wings	31	34	3	1.0
	Golden Wings	48	49	1	1.9
DGRC038	Golden Wings	**21**	**22**	**1**	**2.4**
	Golden Wings	27	28	1	1.4
	Golden Wings	45	46	1	1.2
DGRC039	Golden Wings	24	32	8*	0.73
	Golden Wings	**39**	**41**	**2**	**2.2**
DGRC041	Golden Wings	**16**	**17**	**1**	**2.6**
	Golden Wings	**27**	**28**	**1**	**3.9**
	Golden Wings	32	33	1	1.3
	Golden Wings	39	40	1	1.2
	Golden Wings	**48**	**49 (EOH)**	**1**	**3.3 (EOH)**
DGRC042	Golden Wings	**43**	**44**	**1**	**2.3**
	Golden Wings	**53**	**54**	**1**	**3.9**
	Golden Wings	78	79	1	1.6
DGRC043	Golden Wings	**19**	**20**	**1**	**2.0**
	Golden Wings	**26**	**47**	**21**	**4.5**
	includes	**26**	**42**	**16**	**5.6**
DGRC044	Golden Wings	**16**	**28**	**12**	**1.0**
DGRC045	Golden Wings	**23**	**25**	**2**	**6.2**
	Golden Wings	**32**	**33**	**2**	**1.8**
DGRC046	Golden Wings	**71**	**73**	**2**	**1.2**
DGRC047	Golden Wings	0	1	1	1.2
	Golden Wings	**42**	**46**	**4**	**1.8**
DGRC048	**Golden Wings**	**0**	**6**	**6**	**3.8**
	includes	**2**	**6**	**4**	**5.5**
DGRC049	Golden Wings	**35**	**39**	**4**	**3.5**
	Golden Wings	43	44	1	1.5

* Denotes 4m composite sample

Table 2: RC Drill hole Collar Details

Hole ID	GDA East	GDA North	RL	Depth	Dip	Azimuth	Prospect
DGRC030	529470	6922570	428	38	-60	180	Golden Wings
DGRC031	529450	6922565	428	68	-60	180	Golden Wings
DGRC032	529430	6922560	428	62	-60	180	Golden Wings
DGRC033	529430	6922580	428	62	-60	180	Golden Wings
DGRC034	529410	6922545	428	32	-60	180	Golden Wings
DGRC035	529410	6922570	428	50	-60	180	Golden Wings
DGRC036	529390	6922550	428	40	-60	180	Golden Wings
DGRC037	529390	6922575	428	68	-60	180	Golden Wings
DGRC038	529350	6922560	428	50	-60	180	Golden Wings
DGRC039	529330	6922575	428	50	-60	180	Golden Wings
DGRC040	529310	6922595	428	80	-60	180	Golden Wings
DGRC041	529291	6922575	428	49	-60	180	Golden Wings
DGRC042	529290	6922600	428	80	-60	180	Golden Wings
DGRC043	529231	6922540	428	50	-60	180	Golden Wings
DGRC044	529210	6922525	428	55	-60	180	Golden Wings
DGRC045	529190	6922530	428	50	-60	180	Golden Wings
DGRC046	529150	6922515	428	74	-60	180	Golden Wings
DGRC047	529150	6922540	428	50	-60	180	Golden Wings
DGRC048	529170	6922515	428	44	-60	180	Golden Wings
DGRC049	529132	6922476	428	50	-75	180	Golden Wings

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

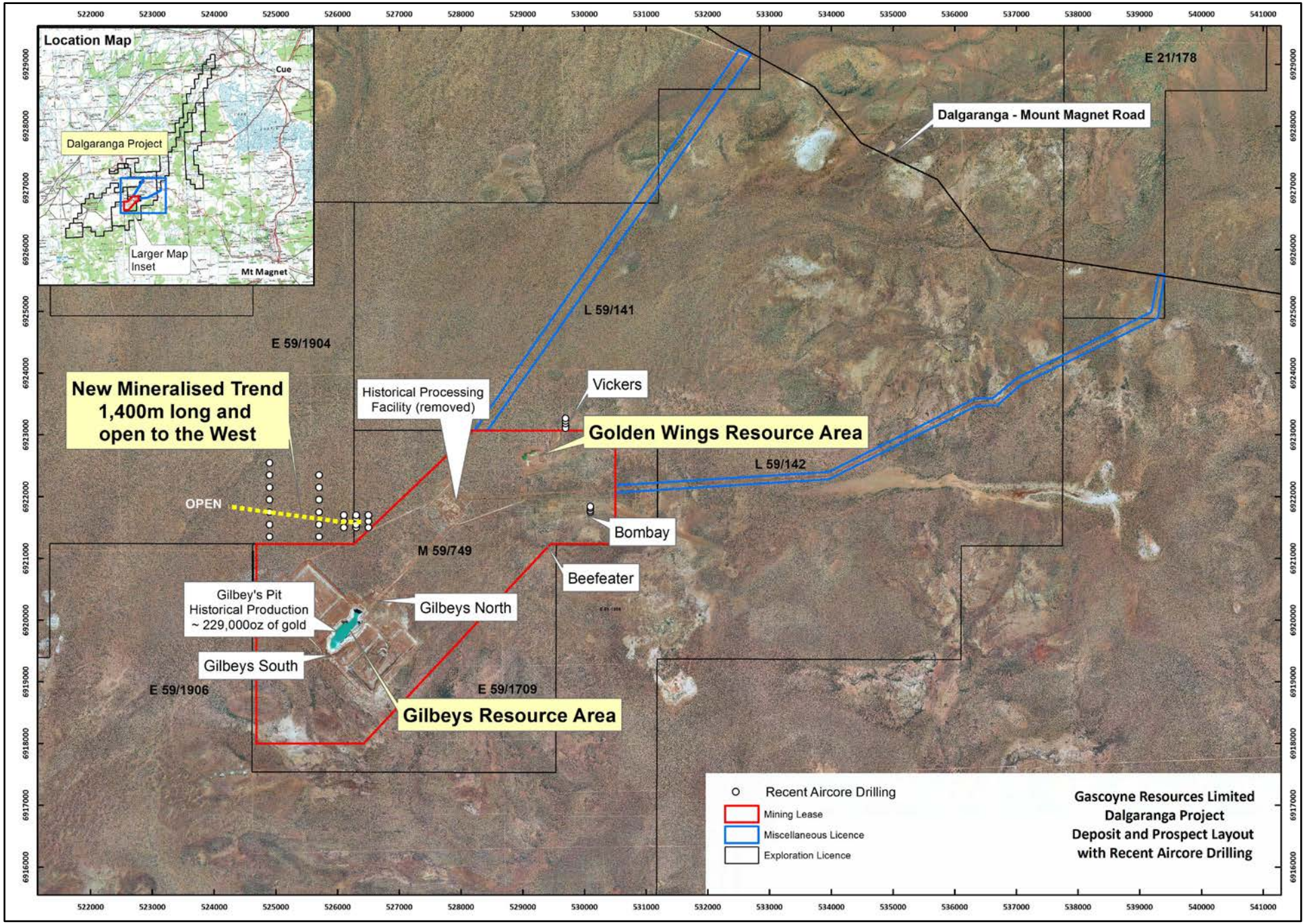

Figure Two: Dalgaranga Site Layout

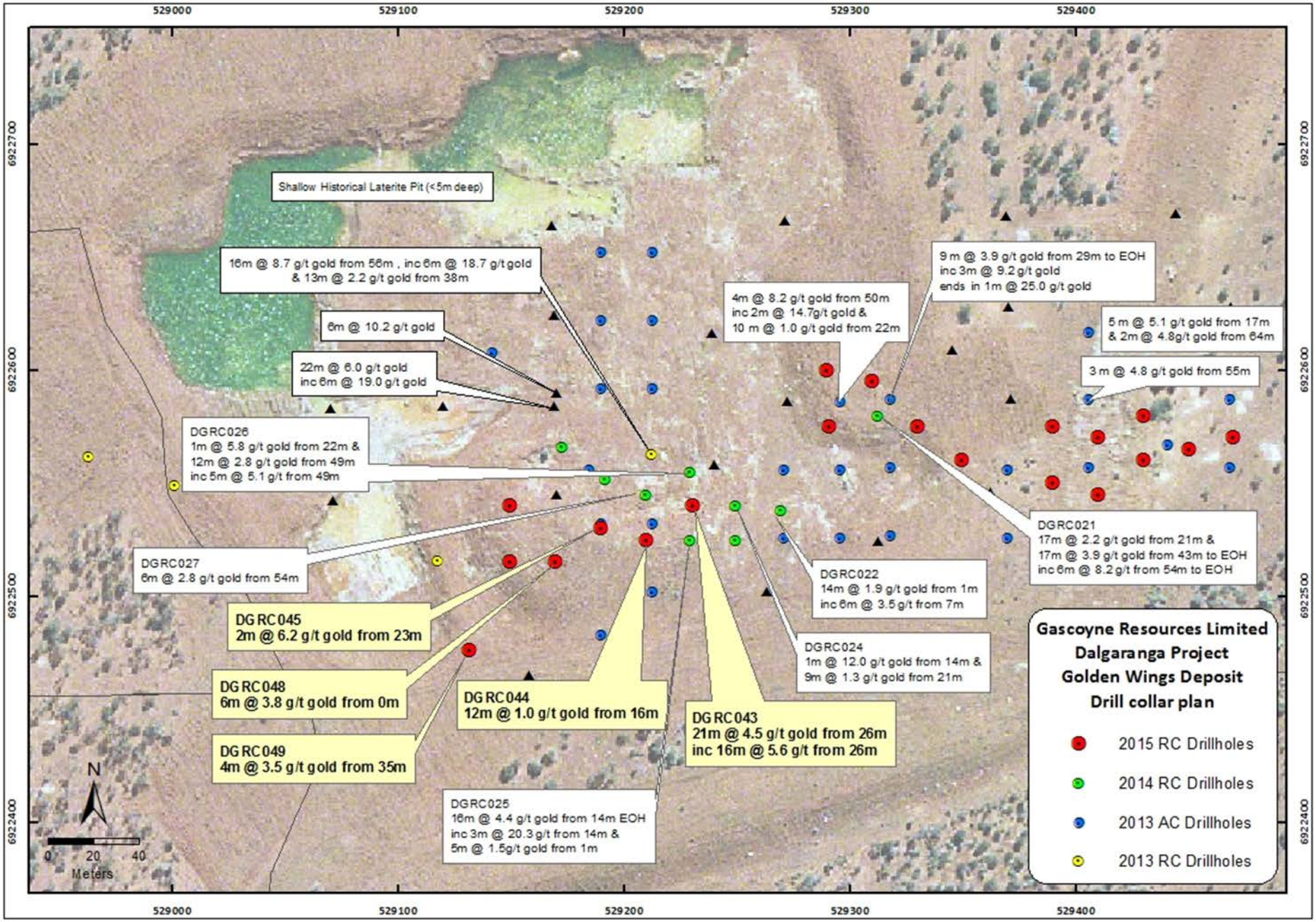

Figure Three: Golden Wings Deposit Drill Hole Location Plan (new holes highlighted in red)

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 main 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 a Measured, Indicated and Inferred resource of: **21.3 Mt @ 1.5g/t Au for 1.003 million oz gold** from several prospects within a 20km long shear zone (see Table 3)

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 included approximately 40,000m of resource drilling, metallurgical drilling and testwork, geotechnical, hydro geological and environmental assessments. Importantly the study has not included the drilling completed during 2013, which intersected significant shallow high grade zones at a number of the known deposits.

Table 3: Glenburgh Deposits - Area Summary

2014 Mineral Resource Estimate (0.5g/t Au Cut-off)

Area	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
Icon	1.7	1.5	82,500	1.7	1.4	77,000	4.1	1.3	168,000	**7.6**	**1.3**	**328,000**
Apollo	0.9	2.4	67,400	0.3	1.3	14,000	1.5	1.4	67,000	**2.7**	**1.7**	**149,000**
Tuxedo				0.7	1.2	29,000	1.2	1.0	37,000	**1.9**	**1.1**	**66,000**
Mustang				0.2	1.3	7,000	1.0	1.1	35,000	**1.1**	**1.2**	**42,000**
Shelby				0.2	1.4	10,000	0.6	1.1	21,000	**0.8**	**1.2**	**32,000**
Hurricane				0.1	1.6	3,000	0.5	1.1	16,000	**0.5**	**1.2**	**19,000**
Zone 102				0.9	1.9	56,000	1.2	1.3	50,000	**2.1**	**1.6**	**106,000**
Zone 126	0.2	4.0	30,500	0.4	2.9	35,000	1.4	2.2	101,000	**2.0**	**2.5**	**166,000**
NE3							0.2	1.5	11,000	**0.2**	**1.5**	**11,000**
Torino							1.6	1.3	64,000	**1.6**	**1.3**	**64,000**
SW Area							0.6	1.0	20,000	**0.6**	**1.0**	**20,000**
Total	**2.9**	**2.0**	**180,500**	**4.6**	**1.6**	**232,000**	**13.9**	**1.3**	**591,000**	**21.3**	**1.5**	**1,003,000**

Note: Discrepancies in totals are a result of rounding

EGERTON (100% GCY)

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 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 5).
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 5: 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 100% ownership of the high grade 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 relating to new exploration results for the Egerton project is based on data compiled by Gascoyne's General Manager – Business Development Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy. Mr Goldsworthy 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 Goldsworthy consents to the inclusion of the data in the form and context in which it appears.

The Glenburgh Mineral Resources have been estimated by RungePincockMinarco Limited, 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 24th July 2014 titled: High Grade Domains Identified Within Updated Glenburgh Gold Mineral Resource). 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.

The Glenburgh 2004 JORC resource (released to the ASX on April 29th 2013) which formed the basis for the preliminary Feasibility Study was 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, the resource has now been updated to conform with the JORC 2012 guidelines. This new JORC 2012 resource, reported above, will form the basis for any future studies.

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 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). 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.

The Egerton Resource estimate and Gaffney's Find prospect historical exploration results have 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.

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data Dalgaranga project

(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 representative nature of the samples.*	• 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

Criteria	JORC Code explanation	Commentary
		checked for recovery moisture and contamination. A cyclone was used and routinely cleaned. 4m composites were speared to obtain the most representative sample possible.
	• *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.*	• 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	• *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.*	• 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.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining.
	• *The total length and percentage of the relevant intersections logged.*	• All current drill holes are logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• 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.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• 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.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• 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.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Field QAQC procedures included the insertion of 4% certified reference 'standards' and 2% field duplicates for RC and AC drilling.
	• *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.*	• Field duplicates were collected during RC and AC drilling. Further sampling (lab umpire assays) will be conducted if it is considered necessary.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 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	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• 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

Criteria	JORC Code explanation	Commentary
laboratory tests		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.
	• *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.*	• No geophysical tools etc. have been used at Dalgaranga.
	• *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.*	• 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	• *The verification of significant intersections by either independent or alternative company personnel.*	• At least 3 company personnel verify all intersections in drill chips.
	• *The use of twinned holes.*	• No twinned holes have been drilled to date by Gascoyne Resources.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• 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
	• *Discuss any adjustment to assay data.*	• 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	• *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.*	• 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.
	• *Specification of the grid system used.*	• The grid system is MGA_GDA94 Zone 50
	• *Quality and adequacy of topographic control.*	• 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	• *Data spacing for reporting of Exploration Results*	• 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.

Criteria	JORC Code explanation	Commentary
	• *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.*	• 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.
	• *Whether sample compositing has been applied.*	• 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	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drilling sections are orientated perpendicular to the strike of the mineralised 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.
	• *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.*	• No orientation based sampling bias has been identified in the data at this point.
Sample security	• *The measures taken to ensure sample security.*	• 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 deliver the samples directly to the lab
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• 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: Dalgaranga Project

(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.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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 (eg 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 such aggregations should be shown in detail.*	• 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.

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *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').*	• 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	• *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.*	• Refer to figures within body of text.
Balanced reporting	• *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.*	• All results are reported.
Other substantive exploration data	• *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.
Further work	• *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.