GASCOYNE RESOURCES LIMITED

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February 8th, 2016
Australian Securities Exchange Limited
Via Electronic Lodgement

MULTIPLE NEW GOLD ZONES DISCOVERED IN REGIONAL EXPLORATION DRILLING AT DALGARANGA

- **Significant new gold zones intersected at the Beefeater, Vickers and Gilbeys North prospects.**
- **Significant shallow gold intersections from wide spaced regional Aircore drilling include;**
  - **8m @ 3.6 g/t gold from 24m**
  - **13m @ 0.9 g/t gold from 16m to the end of hole (EOH)**
  - **4m @ 1.4 g/t gold from 12m**
- **Drilling again demonstrates the significant potential for resource growth at the Dalgaranga Project from new discoveries.**
- **Planning underway for follow-up drilling of the Hendricks gold discovery announced in January**
- **Golden Wings updated Mineral Resource estimate expected this month**
- **The Dalgaranga Pre-Feasibility Study is continuing on schedule for completion in Q1 2016.**

Gascoyne Resources Limited (**"Gascoyne" or "Company"**) is pleased to advise that it has received the final assay results from the 10,000 metre aircore exploration drilling programme completed in December last year at the Company's 80% owned Dalgaranga Gold Project in the Murchison region of Western Australia. The Dalgaranga Gold Project contains a recently upgraded (ASX announcement November 4th, 2015) Measured, Indicated and Inferred Resource of **23.0Mt @ 1.4 g/t gold for 1.02 million ounces of contained gold** (see Figure 1).

As announced to the ASX on 14th of January 2016 ("Hendricks gold discovery") the aircore drilling programme was designed to test multiple high priority targets in the vicinity of the 1Moz Resource base at Dalgaranga which have the potential, with further exploration, to lead to additional discoveries and future Mineral Resource growth at Dalgaranga. The discovery of the Hendicks prospect last month, and now these additional significant new gold zones intersected at the Beefeater, Vickers and Gilbeys North prospects gives fruther credence to our belief that the Dalgaranga Project has significant potential to grow with further drilling.

Gilbeys North
Drilling targeted shallow mineralisation areas northeast of the Gilbeys deposit; best intersection returned was **8m @ 3.6 g/t gold from 24m** in DGAC384 which lies more than 500m along strike from the northern limit of the current Gilbeys resource (see Figure 2). The area has only been partly tested and further follow up is planned to evaluate this mineralisation.

Beefeater
The drilling was focussed on testing a poorly tested 1km long east west trending RAB anomaly from historical drilling. The anomaly lies 1.5km south of the Golden Wings deposit and 2.5km north-east of the Gilbeys deposit (see Figure 2). Six north-south orientated aircore lines have been completed at 100 to 200m line spacings; of most significance is the intersection of a shallow interval of **13m @ 0.9 g/t gold from 16m to the EOH** in DGAC323 **including 4m @ 1.6 g/t gold from 16m.** One hundred metres to the east aircore hole DGAC328 intersected **4m @ 0.4 g/t gold from 20m to the EOH** confirming a bedrock anomaly trending east – west in very shallow drilling that remains untested to the east and west.

Vickers
Aircore drilling targeted untested areas west and north of the historic Vickers prospect. Drilling was completed on 3 north-south orientated lines with a number of anomalous gold zones intersected including **4m @ 1.4g/t gold from 12m** in

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DGAC357, **8m @ 0.7g/t gold from 60m to EOH** in DGAC358 and **12m @ 0.5g/t gold from 48m** in DGAC378. These promising intersections confirm an east west trend which is untested to the east (see Figure 2)

Follow up drilling

Planning is well advanced to follow up the Hendricks gold discovery and the wide spaced intersection reported above. The followup drilling will be a combination of aircore and RC to test the mineralisation at depth and along strike. Programme of works (POW's) have been submitted to and approved by the Department of Mines and Petroleum for the planned drilling which is expected to commence in March

Pre-Feasibility Study Golden wings Resource Upgrade

The Dalgaranga Pre-Feasibility Study (PFS) is on schedule for completion in the current quarter. The Golden Wings Resource update is due to be completed this month, and when completed it will be incorporated into the PFS.

The PFS is investgating the establishment of a 2.5Mtpa processing plant on site, which recent pit optimisation studies suggest will result in production of approximately 100,000ozpa for 6-7 years (see ASX Announcement 19th January 2016).

Gascoyne's Managing Director, Michael Dunbar commented:
"The first regional exploration completed at the project for around 20 years has been a great success, confirming the potential of the region, with the discovery of the Hendricks mineralised shear, identification of a bedrock east west mineralised trend at Beafeater and significant mineralisation intersected at Gilbeys North and Vickers.

This exploration along with the recent RC drilling at Golden Wings and the ongoing Pre-Feasibility study support the Company's belief that Dalgaranga project is one of the best undeveloped gold projects in the Murchison."

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

On behalf of the board of
Gascoyne Resources Limited

Michael Dunbar
Managing Director

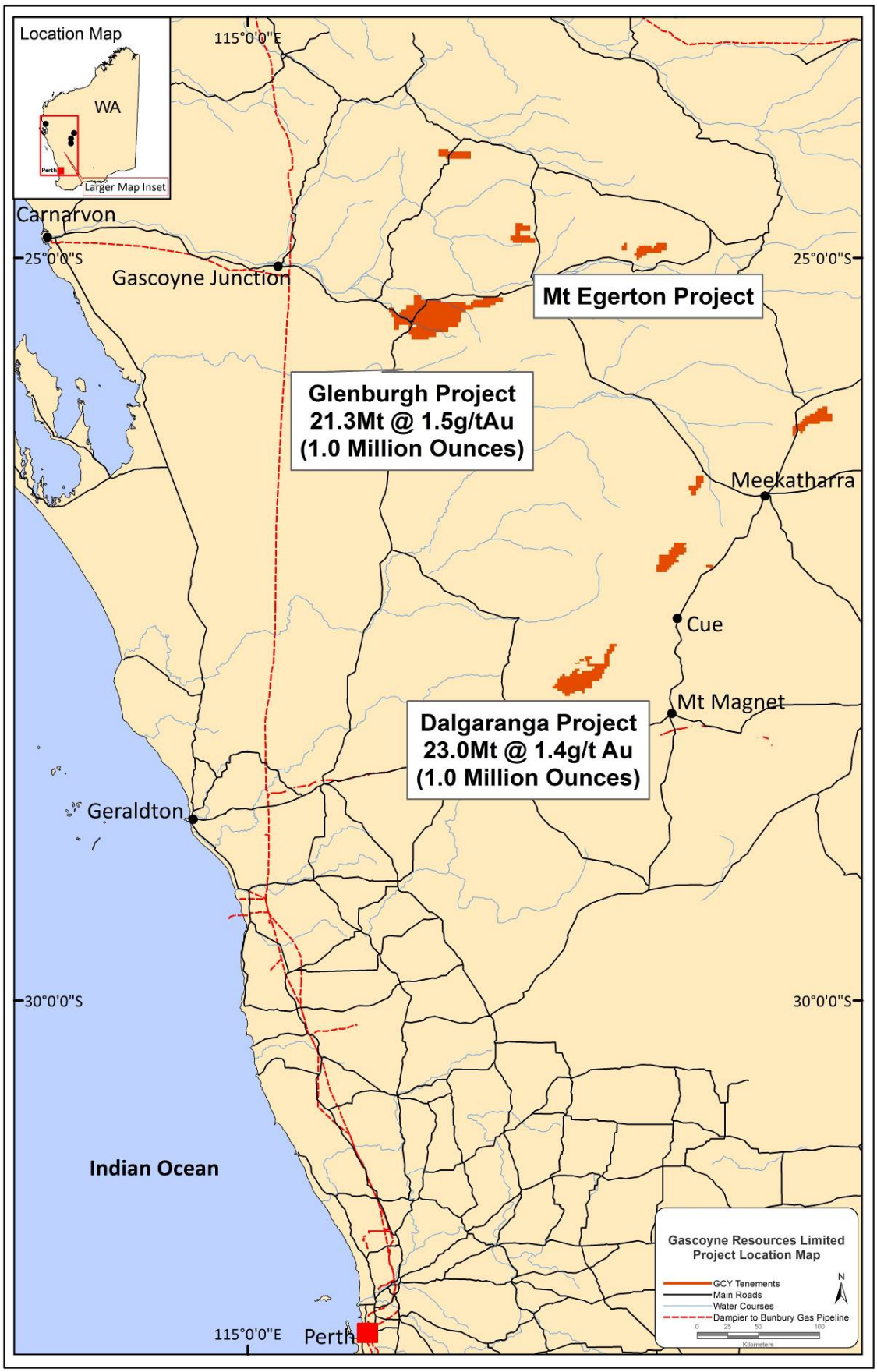

Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

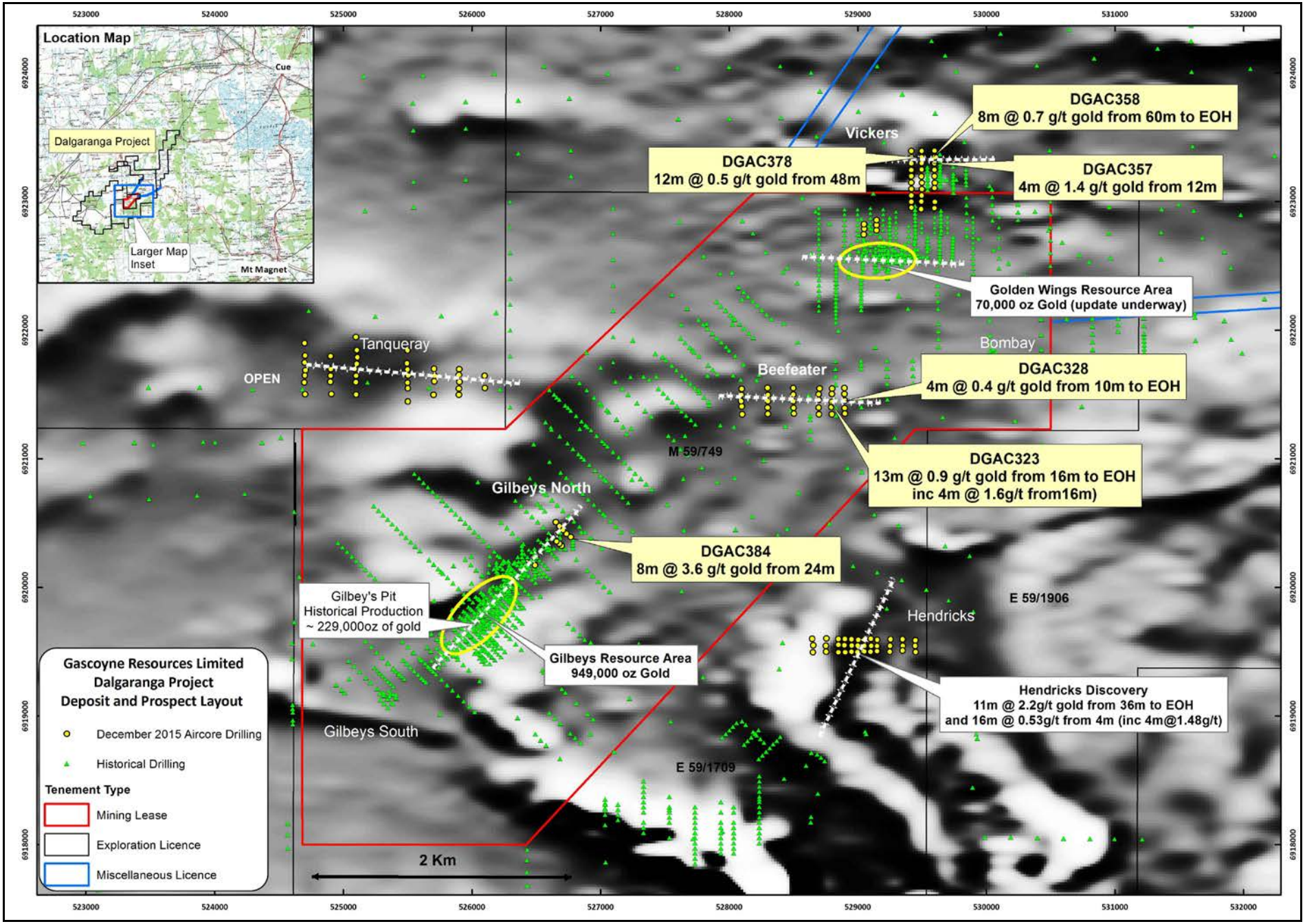

Figure Two: Dalgaranga Project Aeromagnetic Image with Deposit and Prospect Locations, Highlighting the Hendricks Discovery and Recent Significant Regional Aircore Drill Intersections

Table 1 Significant Air Core Drilling Results (0.2ppm gold cutoff)

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au Grade ppm
DGAC323	**Beefeater**	**16**	**29 EOH**	**13**	**0.9**
	includes	**16**	**20**	**4**	**1.6**
DGAC326	Beefeater	0	4	4	0.21
DGAC328	**Beefeater**	**20**	**24 EOH**	**4**	**0.4**
DGAC329	Beefeater	15	17 EOH	2	0.22
DGAC337	Beefeater	4	12	8	0.24
DGAC347	Beefeater	**96**	**99**	**3**	**0.6**
DGAC348	Beefeater	24	28	4	0.31
DGAC349	Beefeater	44	48	4	0.38
DGAC355	Vickers	0	4	4	0.37
		52	56	4	0.23
		64	68	4	0.23
DGAC356	Vickers	0	4	4	0.39
DGAC357	**Vickers**	**12**	**16**	**4**	**1.4**
DGAC358	**Vickers**	**60**	**68 EOH**	**8**	**0.7**
DGAC361	Vickers	7	9	2	0.23
DGAC364	Vickers	4	8	4	0.21
DGAC378	Vickers	40	44	4	0.27
		48	**60**	**12**	**0.5**
DGAC381	Gilbey's North	12	20	8	0.4
DGAC382	Gilbey's North	24	28	4	0.22
		32	40	8	0.37
DGAC383	Gilbey's North	0	4	4	0.34
		44	48	4	0.3
DGAC384	**Gilbey's North**	**24**	**32**	**8**	**3.6**
DGAC385	Gilbey's North	0	4	4	0.37
DGAC386	Gilbey's North	0	4	4	0.42
		32	36	4	0.2
DGAC387	Gilbey's North	4	12	8	0.3
		48	60	12	0.4

Table 2 Drill Hole Collar Table for Aircore drilling with Assays Returned

Prospect	Hole_ID	Depth	GDA East	GDA North	RL	Dip	Azimuth
Beefeater	DGAC321	48	528800	6921348	425	-60	180
Beefeater	DGAC322	45	528796	6921402	425	-60	180
Beefeater	DGAC323	29	528799	6921444	425	-60	180
Beefeater	DGAC324	12	528799	6921505	425	-60	180
Beefeater	DGAC325	28	528802	6921548	425	-60	180
Beefeater	DGAC326	65	528901	6921353	425	-60	180
Beefeater	DGAC327	36	528900	6921394	425	-60	180
Beefeater	DGAC328	24	528899	6921455	425	-60	180
Beefeater	DGAC329	17	528897	6921505	425	-60	180
Beefeater	DGAC330	33	528897	6921552	425	-60	180
Beefeater	DGAC331	56	528699	6921347	425	-60	180
Beefeater	DGAC332	45	528697	6921399	425	-60	180
Beefeater	DGAC333	20	528697	6921459	425	-60	180
Beefeater	DGAC334	44	528698	6921503	425	-60	180
Beefeater	DGAC335	71	528704	6921547	425	-60	180
Beefeater	DGAC336	33	528504	6921352	425	-60	180
Beefeater	DGAC337	53	528502	6921396	425	-60	180
Beefeater	DGAC338	75	528500	6921450	425	-60	180
Beefeater	DGAC339	78	528500	6921500	425	-60	180
Beefeater	DGAC340	68	528501	6921551	425	-60	180
Beefeater	DGAC341	44	528302	6921351	425	-60	180
Beefeater	DGAC342	50	528300	6921399	425	-60	180
Beefeater	DGAC343	69	528303	6921449	425	-60	180
Beefeater	DGAC344	80	528303	6921499	425	-60	180
Beefeater	DGAC345	89	528300	6921554	425	-60	180
Beefeater	DGAC346	74	528103	6921348	425	-60	180
Beefeater	DGAC347	101	528098	6921409	425	-60	180
Beefeater	DGAC348	107	528095	6921449	425	-60	180
Beefeater	DGAC349	90	528097	6921499	425	-60	180
Beefeater	DGAC350	85	528098	6921546	425	-60	180
Vickers	DGAC351	47	529599	6922949	425	-60	180
Vickers	DGAC352	62	529600	6922999	425	-60	180
Vickers	DGAC353	78	529599	6923107	425	-60	180
Vickers	DGAC354	94	529601	6923147	425	-60	180
Vickers	DGAC355	75	529598	6923199	425	-60	180
Vickers	DGAC356	65	529598	6923249	425	-60	180
Vickers	DGAC357	65	529599	6923299	425	-60	180
Vickers	DGAC358	68	529600	6923349	425	-60	180
Vickers	DGAC359	36	529599	6923397	425	-60	180
Vickers	DGAC360	68	529419	6922953	425	-60	180
Vickers	DGAC361	9	529417	6923000	425	-60	180
Vickers	DGAC362	53	529418	6923049	425	-60	180
Vickers	DGAC363	68	529419	6923100	425	-60	180
Vickers	DGAC364	74	529417	6923148	425	-60	180
Vickers	DGAC365	56	529418	6923199	425	-60	180
Vickers	DGAC366	80	529418	6923247	425	-60	180
Vickers	DGAC367	72	529417	6923299	425	-60	180

Prospect	Hole_ID	Depth	GDA East	GDA North	RL	Dip	Azimuth
Vickers	DGAC368	49	529417	6923345	425	-60	180
Vickers	DGAC369	78	529418	6923395	425	-60	180
Vickers	DGAC370	58	529494	6922944	425	-60	180
Vickers	DGAC371	62	529496	6923003	425	-60	180
Vickers	DGAC372	65	529498	6923050	425	-60	180
Vickers	DGAC373	74	529500	6923099	425	-60	180
Vickers	DGAC374	58	529500	6923147	425	-60	180
Vickers	DGAC375	58	529497	6923198	425	-60	180
Vickers	DGAC376	50	529499	6923250	425	-60	180
Vickers	DGAC377	55	529499	6923302	425	-60	180
Vickers	DGAC378	62	529498	6923347	425	-60	180
Vickers	DGAC379	69	529498	6923394	425	-60	180
Gilbey's North	DGAC380	77	526493	6920173	425	-60	135
Gilbey's North	DGAC381	82	526698	6920324	425	-60	135
Gilbey's North	DGAC382	91	526682	6920341	425	-60	135
Gilbey's North	DGAC383	66	526660	6920359	425	-60	135
Gilbey's North	DGAC384	83	526768	6920393	425	-60	135
Gilbey's North	DGAC385	86	526737	6920419	425	-60	135
Gilbey's North	DGAC386	92	526709	6920450	425	-60	135
Gilbey's North	DGAC387	97	526682	6920478	425	-60	135
Gilbey's North	DGAC388	83	526653	6920509	425	-60	135

BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited was listed on the ASX in December 2009 and is focused on exploration and development of a number of gold projects in Western Australia.
The Company's two main gold projects combined have **2.0 million ounces of contained gold on granted Mining Leases**:

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 JORC Measured, Indicated and Inferred resources of **23.0 Mt @ 1.4g/t Au for 1,019,000 ounces** of contained gold (see Table 3).
A PFS study is currently underway on the project, investigating development of two open pits feeding a 2.5Mtpa processing facility resulting in production of around 100,000ozpa for 6-7 years. Optimisation studies have suggested that the operation would be a low cost, high margin and long life operation with operating margins of between $500 and $600/oz. The PFS is on schedule for completion in the March quarter of 2016.

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 3: Dalgaranga Deposits
Mineral Resource Estimate

Type	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
Golden Wings				0.85	2.0	52,400	0.35	1.5	17,400	**1.2**	**1.8**	**70,000**
Gilbeys	2.4	1.4	108,000	8.1	1.3	349,000	11.2	1.4	492,000	**21.8**	**1.4**	**949,000**
Total	**2.4**	**1.4**	**108,000**	**9.0**	**1.4**	**401,000**	**11.6**	**1.4**	**509,000**	**23.0**	**1.4**	**1,019,000**

Note: Totals may differ due to rounding *Mineral Resources reported on a dry basis*
Gilbeys Resource – October 2015 (0.5g/t and 1.0g/t cut-off) and Golden Wings Resource June 2015 (1.0 g/t cut-off)

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 1.0 million oz gold** from several prospects within a 20km long shear zone (see Table 4)

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 4: 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 5). 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 5: 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**

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 has been 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 the Dalgaranga project is based on data compiled by Gascoyne's Geology Manager Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. 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 company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated October 19th titled: High Priority Targets Identified at Dalgaranga

The Gilbeys Mineral Resource at the Dalgaranga and Glenburgh Projects 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 4th November 2015 titled: Dalgaranga Mineral Resource Grows to Over One Million Ounces and 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 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 23rd June 2015 titled: Dalgaranga Scoping Study Outlines low cost / high margin development). 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 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 deposits and prospects 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 exploration areas have wider spaced drilling. The majority of drill holes have a dip of -60°but the azimuth varies. .
	• *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. The diamond drilling was undertaken as diamond tails to the recently completed RC holes. One of the holes was HQ (to allow metallurgical samples to be collected) the last two are NQ. The NQ holes will be sampled by ½ core sampling while the HQ hole will be ¼ core sampled. The samples are assayed using 50g charge fire assay with an AAS finish.
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. The diamond drilling was undertaken as diamond tails to the recently completed RC holes. One of the holes was HQ (to allow metallurgical

Criteria	JORC Code explanation	Commentary
		samples to be collected) the last two are NQ.
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. • The diamond drilling recovery has been excellent with very little no core loss identified.
	• *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 checked for recovery moisture and contamination. A cyclone was used and routinely cleaned. 4m composites were speared to obtain the most representative sample possible. • Diamond drilling was undertaken and the core measured and orientated to determine recovery, which was generally 100%
	• *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. • The diamond core has been consistently sampled with the left hand side of the NQ hole sampled, while for the HQ, the left hand side of the left hand half was sampled.
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. • Diamond drill holes have all been geologically, structurally and geotechnically logged.
	• *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 Diamond core photographed tray by tray wet and dry.
	• *The total length and percentage of the relevant intersections logged.*	• All current drill holes are logged in full.
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Diamond drilling completed by Gascoyne Resources on the tenement has been ½ core (for NQ) or ¼ core (for HQ) sampled. Previous companies have conducted diamond drilling, it is unclear whether ½ core or ¼ core was taken by previous operators.

Criteria	JORC Code explanation	Commentary
preparation	• *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. • Samples are 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. • Diamond drilling has 4% certified standards included.
	• *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. • The diamond core has been consistently sampled with the left hand side of the NQ hole sampled, while for the HQ, the left hand side of the left hand half was sampled.
	• *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 laboratory tests	• *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 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. • The diamond sampling will be assayed using fire assay with a 50g charge and an AAS finish, additional quartz washes of the grinding mills is undertaken by the lab, before and after samples which contain visible gold
	• *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*	• No geophysical tools etc. have been used at Dalgaranga.

Criteria	JORC Code explanation	Commentary
	derivation, etc.	
	• *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.
	• *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 and diamond 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. Gyro surveys have been undertaken on selected holes to validate the multi shot surveys
	• *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.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral*	• The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and

Criteria	JORC Code explanation	Commentary
	Resource and Ore Reserve estimation procedure(s) and classifications applied.	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. RC 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. Diamond drill core is transported directly to Perth for cutting and dispatch to the assay lab for analysis.
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 numbers M59/749 ,E59/1709, E59/1904, E59/1905, E59/1906 The tenement is currently held under a JV arrangements with Mr Jaime McDowell and Murchison Gold Mines Pty Ltd, Gascoyne Resources has an 80% interest in the tenements.

Criteria	JORC Code explanation	Commentary
	• *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 tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenement areas 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 at the Gilbeys deposit 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.*	• The recent Air Core (AC) drill holes are being reported in this announcement. See body of the text for sample results, collar coordinates and survey (azimuth, RL and dip) information in tables
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 0.2ppm 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
	such aggregations should be shown in detail.	allowed unless otherwise noted.
	• *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. • The Gilbeys deposit strikes around 45^0 to the north east and dips west at approximately $70\text{-}80^0$
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.*	• Results from all holes where assays have been received are included in this announcement.
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 including following up the significant results from the Hendricks prospect.
	• *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.