

July 7th 2016

Australian Securities Exchange Limited

Via Electronic Lodgement

EXCELLENT SHALLOW AIRCORE RESULTS OUTSIDE OF EXISTING DALGARANGA RESOURCE

- Shallow Aircore drilling highlights potential to add 50% to the strike length of the 949,000 ounce Gilbeys Deposit.
- Shallow drilling south of the known Resource at Gilbeys has intersected:
 - 12m @ 2.0 g/t gold from 16 metres in DGAC513 (including 4m @ 5.5 g/t gold)
 - 4m @ 3.4 g/t gold from 8m in DGAC520
 - 8m @ 1.9 g/t gold from 28m in DGAC504
 - 16m @ 1.2 g/t gold from 4m in DGAC547 (including 4m @ 4.2 g/t gold)
 - 38m @ 0.9 g/t gold from 12m to EOH in DGAC548 (including 10m @ 1.5 g/t gold to EOH)
 - 16m @ 1.1 g/t gold from 32m in DGAC523
 - 15m @ 0.5 g/t gold from 24m to EOH in DGAC552 (including 3m @ 1.3 g/t gold to EOH)
 - 8m @ 1.0 g/t gold from 44m in DGAC514
 - 4m @ 1.7 g/t gold from 4m in DGAC515
 - 4m @ 1.1 g/t gold from 16m in DGAC515
 - 4m @ 1.0 g/t gold from 32m in DGAC521
- Two holes drilled North of the Gilbeys Deposit also intersected significant mineralisation including 8m @ 1.1 g/t gold from 80m in DGAC556
- Exploration is ongoing with two RC drill rigs currently drilling to test below the shallow aircore drilling reported above and to test extensions to the Gilbeys deposit
- One aircore rig is continuing the regional exploration programme at the Dalgara Gold Project
- Diamond core drilling programme below the existing Gilbeys Pit has been completed with results from the last four resource holes expected within two weeks
- Feasibility Study progressing on schedule, with completion expected before the end of 2016

Gascoyne Resources Limited ("Gascoyne" or "Company") is pleased to report on further assay results received from exploration drilling activities at its 80% owned Dalgara Gold Project in the Murchison region of Western Australia. The Dalgara Gold Project contains a Measured, Indicated and Inferred Resource of **23.7Mt @ 1.4 g/t gold for 1.05 million ounces of contained gold** including an initial **Proved and Probable Ore Reserve of 442,000 ounces** of gold (see Figure 1 & 2 & Table 3 & 4).

Dalgara Drilling Update

As previously announced, an aggressive drill programme is underway at the Dalgara Gold Project. The drilling is a combination of RC and aircore exploration drilling at the Hendricks, Beefeater, Vickers, Caorunn and Gilbeys South prospects, and RC and diamond resource drilling, geotechnical and metallurgical drilling at the Gilbeys and Golden Wings Deposits (see Figure 2).



Gascoyne is pleased to announce that it has received further results from the ongoing drilling programme at the Gilbeys South prospect. These results are summarised below.

Gilbeys South Prospect

Shallow aircore drilling south of the Gilbeys deposit has intersected significant mineralisation, highlighting the potential for the Gilbeys deposit to extend to over 1650m long, a 50% increase from the current resource length of 1,100m (see Figure 3 & 4 and Table 1 & 2). A total of 55 aircore holes have been completed and have intersected numerous shallow wide zones of gold mineralisation including:

- o **12m @ 2.0 g/t gold from 16 metres** in DGAC513 (**inc 4m @ 5.5 g/t gold**)
- o **4m @ 3.4 g/t gold from 8m** in DGAC520
- o **8m @ 1.9 g/t gold from 28m** in DGAC504
- o **16m @ 1.2 g/t gold from 4m** in DGAC547 (**inc 4m @ 4.2 g/t gold**)
- o **38m @ 0.9 g/t gold from 12m to EOH** in DGAC548 (**inc 10m @ 1.5 g/t gold to EOH**)
- o **16m @ 1.1 g/t gold from 32m** in DGAC523
- o **15m @ 0.5 g/t gold from 24m** to EOH in DGAC552 (**inc 3m @ 1.3 g/t to EOH**)
- o **8m @ 1.0 g/t gold from 44m** in DGAC514
- o **4m @ 1.7 g/t gold from 4m** in DGAC515
- o **4m @ 1.1 g/t gold from 16m** in DGAC515
- o **4m @ 1.0 g/t gold from 32m** in DGAC521

The drilling has demonstrated that the mineralisation extends a further 550m metres south of the current 949,000 ounce Resource and importantly the mineralisation in this area is shallow, with many of the intersections starting in the highly weathered oxide zone within 15 metres of the surface.

Follow up RC drilling is underway with two RC rigs currently testing the depth potential of the area. The followup drilling will take around three weeks to complete with initial results expected to be received before the end of July

Gilbeys Deposit

The initial diamond core drilling programme targeting resources under the existing Gilbeys pit has now been completed. The drilling was designed to increase the confidence in the resource at depth to allow conversion of more of the Resource from the Inferred category into the Indicated and Measured categories. This will allow more of the resource to be converted into Ore Reserves. The drilling also targeting Resource extensions, and provided samples required for the Feasibility Study metallurgical testwork. (see Figure 5)

All of the holes intersected the mineralisation within a few metres of the expected depths, highlighting the excellent continuity of the mineralisation at depth, with the results received to date confirming or exceeding the predicted down dip widths and grades.

The last four diamond holes (DGDH004, 6, 9 & 10) are now in the laboratory in Perth for analysis, with results expected within two weeks.

The deposit remains open in all directions (see figure 3) with further extensional drilling planned, including deeper RC drilling to test the deposit to the North and South, as well as shallow aircore and RC drilling to test extensions to the mineralisation on the Eastern side of the deposit, where shallow high grades in the oxide zone remain untested along strike to the North East and South West (see Figure 3)

Table 1: Significant Aircore Drill Results

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
DGAC500	20	24	4	0.8	
DGAC500	20	36	16	0.4	
inc	20	24	4	0.8	
DGAC500	64	68	4	0.3	
DGAC501	32	40	8	0.6	
DGAC501	56	60	4	0.6	
DGAC501	46	47	1	0.6	
DGAC504	28	36	8	1.9	
DGAC506	8	12	4	0.8	
DGAC507	28	32	4	0.5	
DGAC508	16	36	20	0.2	
DGAC509	8	12	4	0.3	
DGAC511	32	36	4	0.4	
DGAC511	48	52	4	0.3	
DGAC512	12	16	4	0.5	
DGAC512	48	56	8	0.4	
DGAC513	16	28	12	2.0	
inc	16	20	4	5.5	
DGAC514	44	52	8	1.0	
DGAC515	4	8	4	1.7	
DGAC515	16	20	4	1.1	
DGAC517	16	32	16	0.5	
DGAC520	8	12	4	3.4	
DGAC521	4	24	20	0.4	
DGAC521	32	36	4	1.0	
DGAC522	16	44	28	0.4	
DGAC523	32	48	16	1.1	
DGAC524	48	56	8	0.3	EOH
DGAC525	48	56	8	0.4	EOH
inc	52	56	4	0.6	EOH
DGAC538	16	35	19	0.3	
DGAC547	4	20	16	1.2	
inc	4	8	4	4.2	
DGAC547	28	32	4	0.4	
DGAC548	12	50	38	0.9	EOH
inc	40	50	10	1.5	EOH
DGAC552	24	39	15	0.5	EOH
inc	36	39	3	1.3	EOH
DGAC553	16	23	7	0.2	EOH
DGAC556	52	68	16	0.5	
DGAC556	80	88	8	1.1	
DGAC556	100	102	2	0.3	EOH
DGAC557	72	76	4	0.4	

Feasibility Study

The Dalgaranga Feasibility Study (FS) remains on schedule for completion by the end of 2016.

As mentioned above the resource drilling has been completed with results from the last four diamond holes expected within two weeks. These holes are also being used for the metallurgical variability testwork. This programme is well advanced with the feasibility team currently focussing on the statutory approvals required to develop the project, with the Mining Proposal, Mine Closure Plan and the Works Approvals all expected to be submitted to the Department of Mines and Petroleum in the next month, and approvals anticipated to be received by the end of 2016.

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

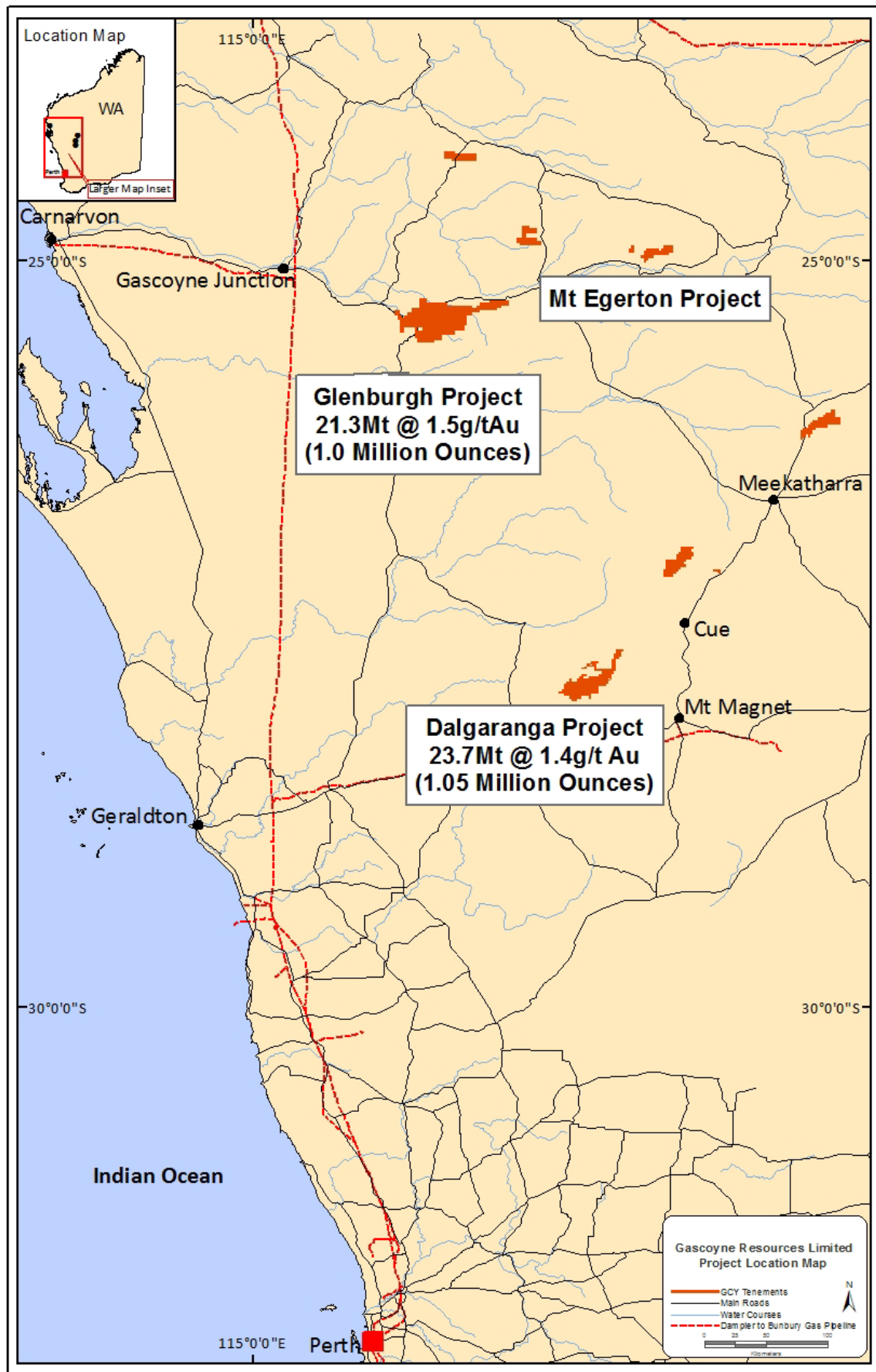


Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

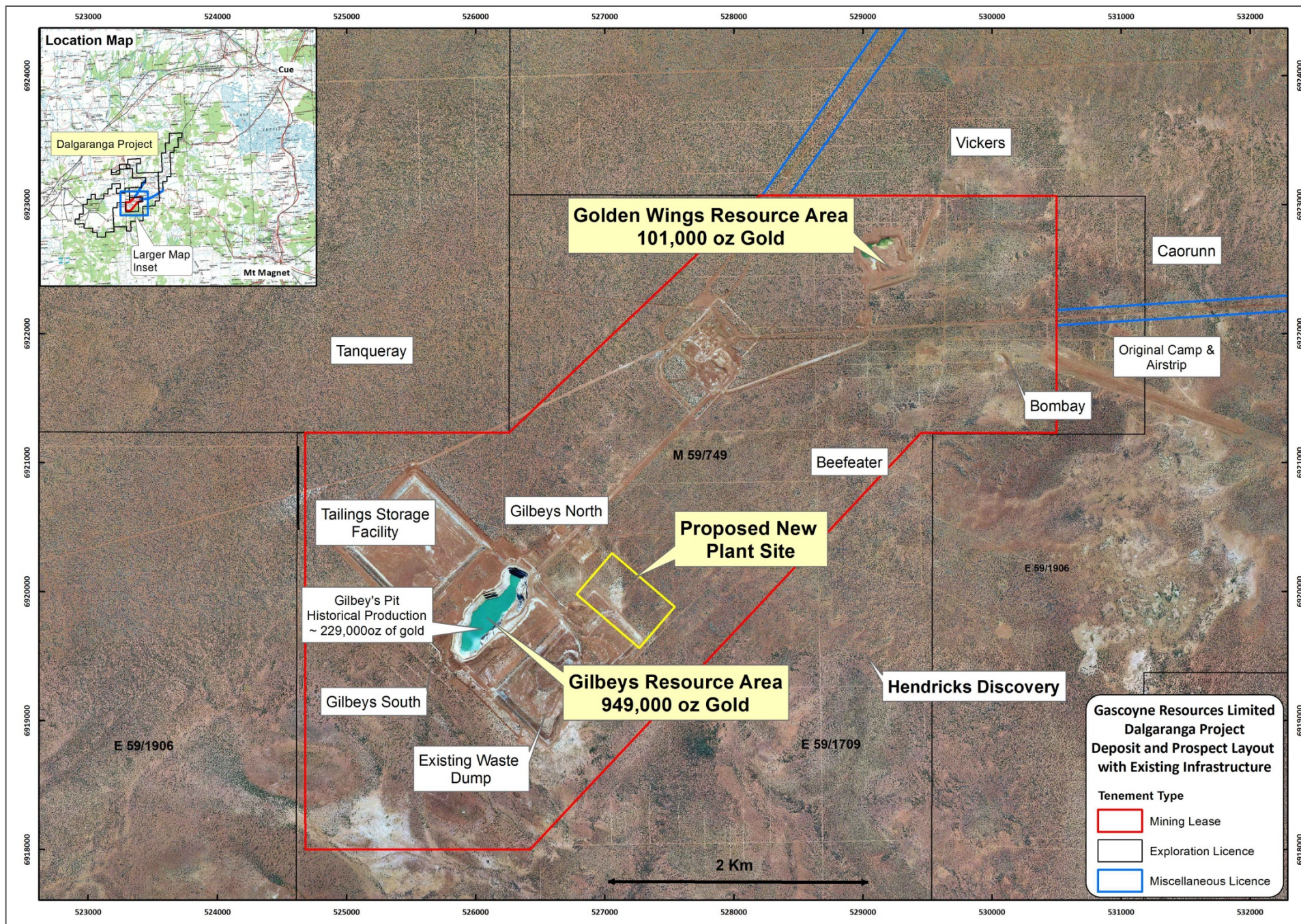


Figure Two: Dalgaranga Gold Project Deposit and Prospect Layout

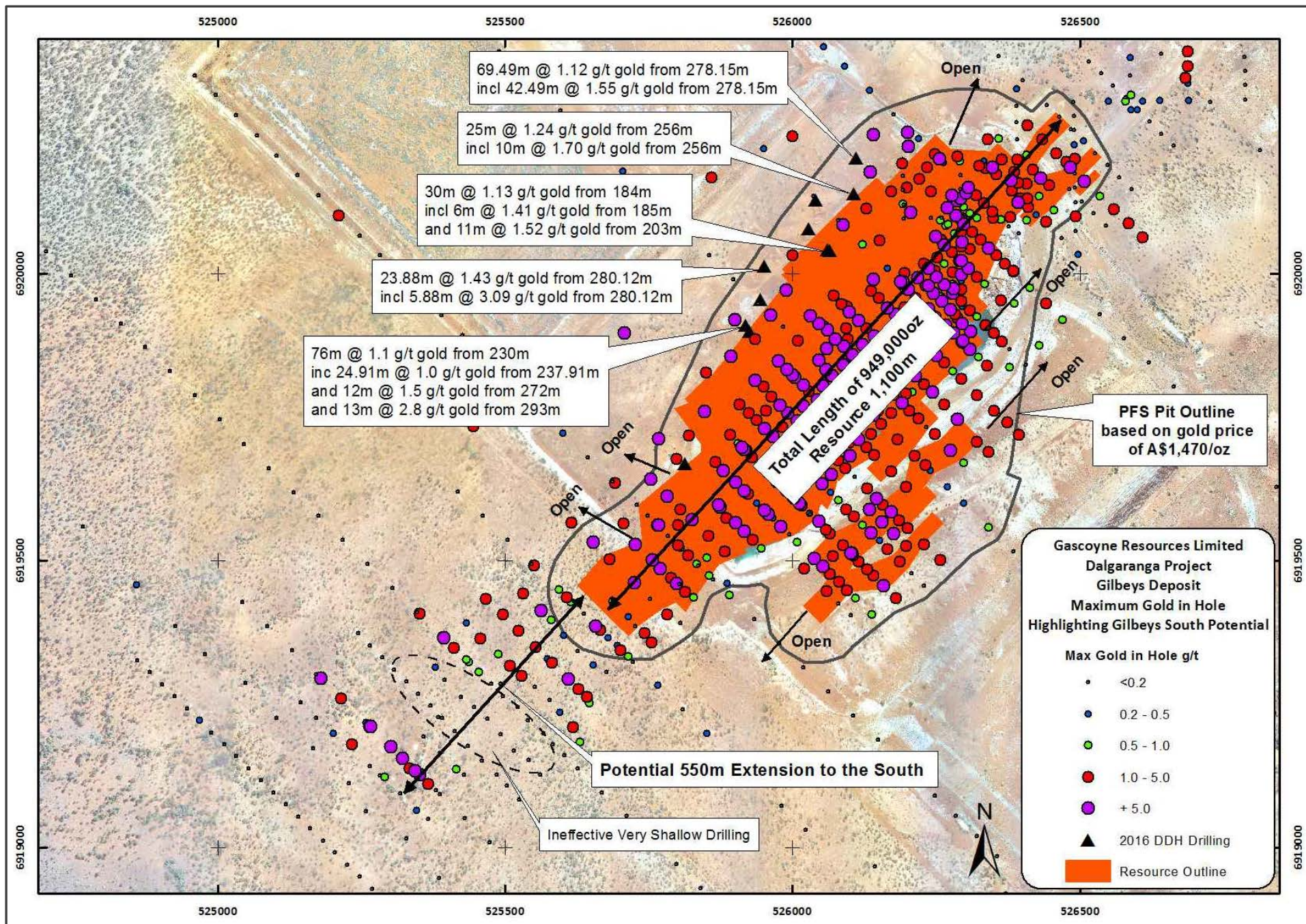


Figure Three: Gilbeys Deposit Maximum gold in Hole, resource outline and conceptual PFS pit outline highlighting potential for growth to the South West

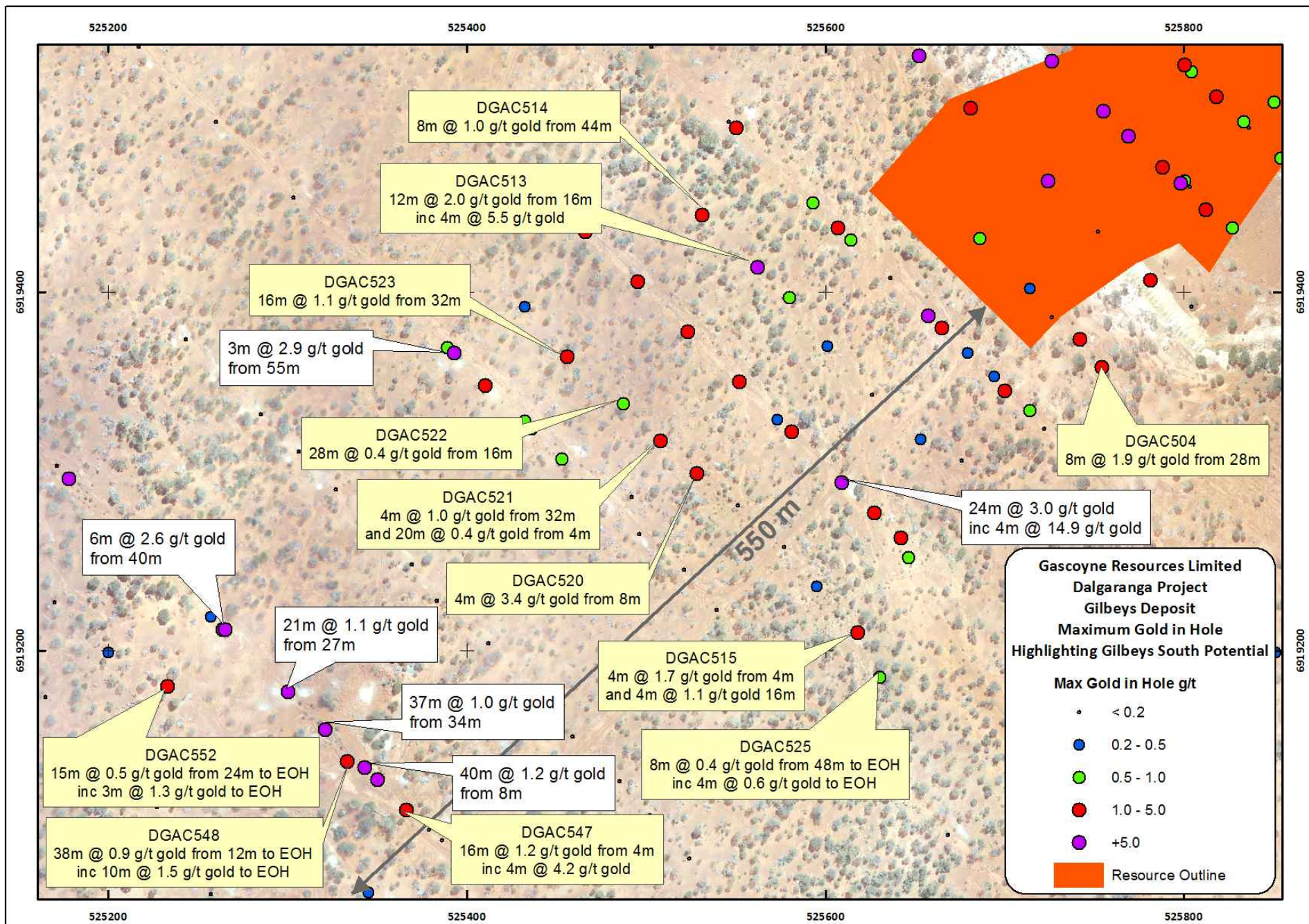


Figure Four: Gilbeys South Maximum gold in Hole and current resource outline highlighting potential for growth to the South West (new intersections highlighted in yellow, historical significant intersections in white)

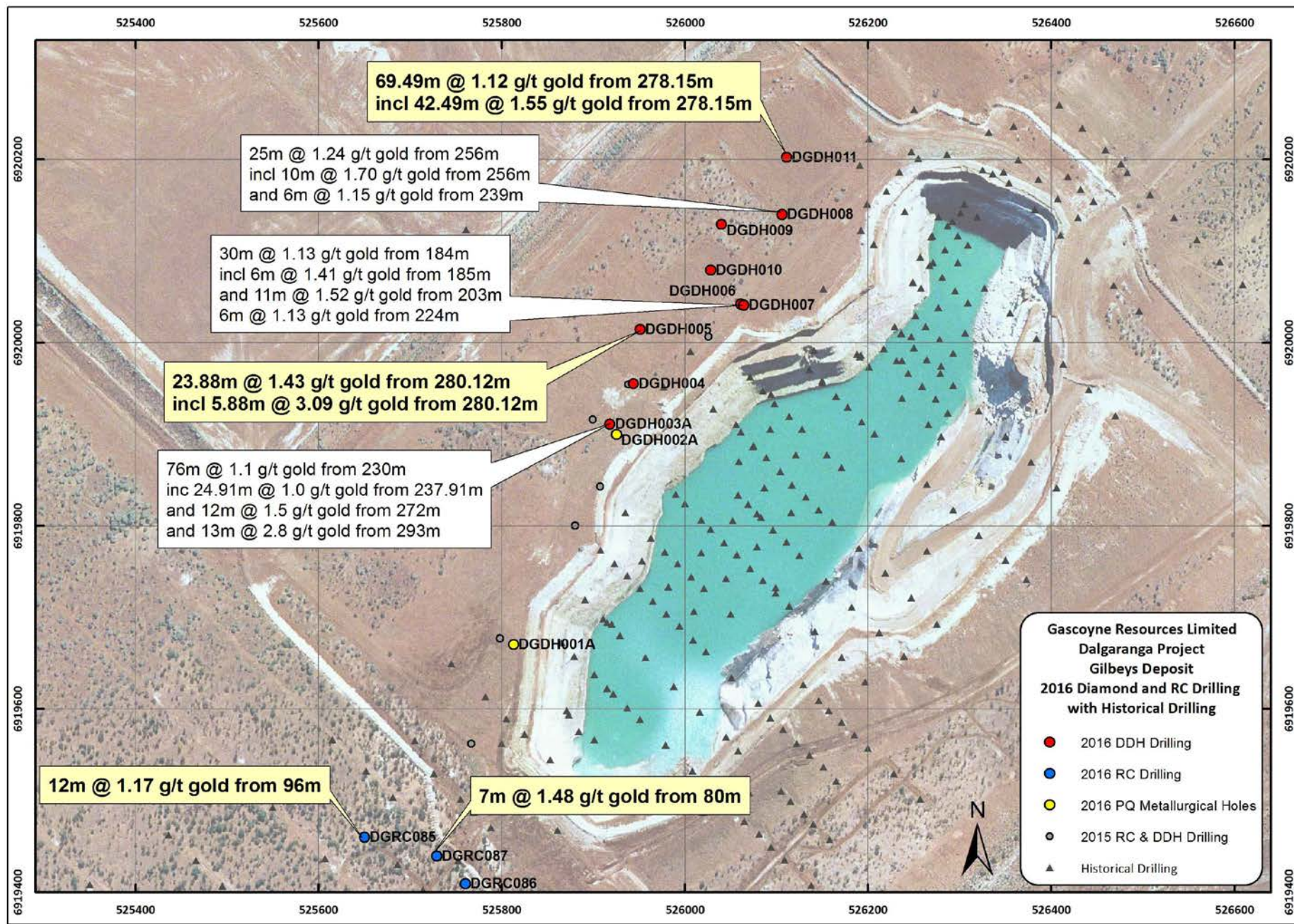


Figure Five: Dalgaranga Gold Project, Gilbeys Deposit Recent RC and Diamond Core Drill Intersections

Table 3: Aircore Drill Hole Locations

Prospect	Hole ID	Depth	GDA East	GDA North	RL	Dip	Azimuth
Gilbeys South	DGAC500	76	525827	6919436	425	-60	135
Gilbeys South	DGAC501	86	525800	6919462	425	-60	135
Gilbeys South	DGAC502	110	525803	6919459	425	-60	135
Gilbeys South	DGAC503	69	525804	6919392	425	-60	135
Gilbeys South	DGAC504	65	525754	6919358	425	-60	135
Gilbeys South	DGAC505	72	525726	6919386	425	-60	135
Gilbeys South	DGAC506	57	525714	6919334	425	-60	135
Gilbeys South	DGAC507	64	525694	6919353	425	-60	135
Gilbeys South	DGAC508	68	525676	6919306	425	-60	135
Gilbeys South	DGAC509	62	525653	6919318	425	-60	135
Gilbeys South	DGAC510	64	525626	6919343	425	-60	135
Gilbeys South	DGAC511	85	525601	6919370	425	-60	135
Gilbeys South	DGAC512	74	525580	6919397	425	-60	135
Gilbeys South	DGAC513	64	525562	6919414	425	-60	135
Gilbeys South	DGAC514	66	525531	6919443	425	-60	135
Gilbeys South	DGAC515	54	525618	6919210	425	-60	135
Gilbeys South	DGAC516	48	525595	6919236	425	-60	135
Gilbeys South	DGAC517	32	525646	6919252	425	-60	135
Gilbeys South	DGAC518	37	525577	6919258	425	-60	135
Gilbeys South	DGAC519	26	525551	6919281	425	-60	135
Gilbeys South	DGAC520	31	525528	6919299	425	-60	135
Gilbeys South	DGAC521	46	525508	6919317	425	-60	135
Gilbeys South	DGAC522	54	525487	6919338	425	-60	135
Gilbeys South	DGAC523	57	525456	6919364	425	-60	135
Gilbeys South	DGAC524	56	525432	6919392	425	-60	135
Gilbeys South	DGAC525	54	525630	6919185	425	-60	135
Gilbeys South	DGAC526	29	525603	6919161	425	-60	135
Gilbeys South	DGAC527	8	525566	6919199	425	-60	135
Gilbeys South	DGAC528	20	525521	6919245	425	-60	135
Gilbeys South	DGAC529	28	525492	6919286	425	-60	135
Gilbeys South	DGAC530	24	525560	6919127	425	-60	135
Gilbeys South	DGAC531	6	525540	6919153	425	-60	135
Gilbeys South	DGAC532	13	525514	6919170	425	-60	135
Gilbeys South	DGAC533	24	525492	6919198	425	-60	135
Gilbeys South	DGAC534	17	525469	6919225	425	-60	135
Gilbeys South	DGAC535	23	525446	6919245	425	-60	135
Gilbeys South	DGAC536	14	525423	6919263	425	-60	135
Gilbeys South	DGAC537	27	525394	6919293	425	-60	135

Prospect	Hole ID	Depth	GDA East	GDA North	RL	Dip	Azimuth
Gilbeys South	DGAC538	35	525378	6919314	425	-60	135
Gilbeys South	DGAC539	21	525524	6919084	425	-60	135
Gilbeys South	DGAC540	7	525502	6919108	425	-60	135
Gilbeys South	DGAC541	12	525485	6919127	425	-60	135
Gilbeys South	DGAC542	23	525459	6919152	425	-60	135
Gilbeys South	DGAC543	10	525434	6919178	425	-60	135
Gilbeys South	DGAC544	11	525412	6919204	425	-60	135
Gilbeys South	DGAC545	3	525383	6919228	425	-60	135
Gilbeys South	DGAC546	11	525428	6919127	425	-60	135
Gilbeys South	DGAC547	42	525366	6919111	425	-60	135
Gilbeys South	DGAC548	51	525333	6919138	425	-60	135
Gilbeys South	DGAC549	39	525365	6919050	425	-60	135
Gilbeys South	DGAC550	35	525282	6919126	425	-60	135
Gilbeys South	DGAC551	36	525264	6919143	425	-60	135
Gilbeys South	DGAC552	39	525233	6919180	425	-60	135
Gilbeys South	DGAC553	23	525200	6919199	425	-60	135
Gilbeys South	DGAC554	26	525170	6919227	425	-60	135
Gilbeys South	DGAC555	30	525143	6919253	425	-60	135
Gilbeys North	DGAC556	102	527092	6921342	425	-60	135
Gilbeys North	DGAC557	119	527027	6921401	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 **2.1 million ounces of contained gold on granted Mining Leases**:

DALGARANGA (80% GCY):

The Dalgara 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 Dalgara 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 contains a JORC Measured, Indicated and Inferred Resources of **23.7 Mt @ 1.4g/t Au for 1,051,000 ounces** of contained gold (Table 3). The Dalgara project has an Initial **Proved and Probable Ore Reserve of 442,000 ounces of gold** (Table 4).

A PFS study has been completed and full FS has commenced. The PFS, has highlighted a robust development case for the project. It is expected that the FS will be completed by the end of 2016, with final development decision in early 2017. The PFS investigated the development of two open pits feeding a 2.5Mtpa processing facility resulting in production of around 104,000ozpa for 6 years. Optimisation studies have suggested that the operation would be a low cost, high margin and long life operation with high operating margins. Significant exploration potential also remains outside the known resources with numerous historical geochemical prospects only partly tested.

Table 3 Dalgara Project

February 2016 Mineral Resource Estimate (0.5g/t Cut-off Above 120mRL, 1g/t Cut-off Below 120mRL)

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
Laterite				0.5	1.1	17,100	0.1	0.8	3,000	0.6	1.1	20,000
Oxide	0.4	1.8	20,000	1.0	1.7	52,000	0.5	1.9	28,000	1.8	1.8	100,000
Transitional	0.3	1.8	14,000	0.5	1.8	28,000	0.2	1.6	11,000	1.0	1.7	53,000
Fresh	1.8	1.3	74,000	7.5	1.3	322,000	11.1	1.4	482,000	20.4	1.3	878,000
Total	2.4	1.4	108,000	9.4	1.4	419,000	11.9	1.4	524,000	23.7	1.4	1,051,000

Table 4: Dalgara Ore Reserve

Ore Reserve Category	Tonnes (Mt)	Gold Grade (g/t)	Contained Gold Ounces
Proved	2.27	1.34 g/t	97,000
Probable	7.81	1.4 g/t	345,000
Total Ore Reserve	10.1	1.4	442,000

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 5)

A preliminary feasibility study on the project has been completed (see announcement 5th of August 2013) that showed a viable project exists at A\$1,500 /oz. 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 exploration drilling completed since 2013, which intersected significant shallow high grade zones at a number of the known deposits.

Table 5: 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
North East	0.2	4.0	31,000	1.4	2.1	94,000	3.3	1.7	178,000	4.9	1.9	303,000
Central	2.6	1.8	150,000	3.2	1.3	137,000	8.4	1.2	329,000	14.2	1.3	616,000
South West							2.2	1.2	84,000	2.2	1.2	84,000
Total	2.9	2.0	181,000	4.6	1.6	231,000	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 6). 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 6: 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 Dalgara 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 Dalgara 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 Gilbeys and Golden Wings Mineral Resources at the Dalgara 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: Dalgara Mineral Resource Grows to Over One Million Ounces, ASX announcement 24th February 2016 titled 40% Increase in Golden Wings Mineral Resource at Dalgara 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 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 Dalgara 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 three 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 preparation	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.
	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

Criteria	JORC Code explanation	Commentary
		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 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

Criteria	JORC Code explanation	Commentary
		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.
	<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 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
	<i>Specification of the grid system used.</i>	The grid system is MGA_GDA94 Zone 50
	<i>Quality and adequacy of topographic control.</i>	The topographic surface has been sourced from historic data used during the operation of the mine. It is considered to be of sufficient quality to be valid for this stage of exploration.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results</i>	Initial exploration by Gascoyne Resources is targeting discrete areas that may host mineralisation. Consequently current drilling is not grid based, however when viewed with historic data, the drill holes generally lie on existing grid lines and within 25m – 100m of an existing hole.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.
	<i>Whether sample compositing has been applied.</i>	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

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		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.
	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

Criteria	JORC Code explanation	Commentary
		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 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 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.
	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° to the north east and dips west at approximately 70-80°
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	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades	Results from all holes where assays have been received are included in this announcement.

Criteria	JORC Code explanation	Commentary
reporting	<i>and/or widths should be practiced to avoid misleading reporting of Exploration Results.</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.</i>	No other significant exploration work had been completed by Gascoyne Resources.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Dalgaranga will continue to be drilled to extend the current resource at Gilbeys and delineate further resources at Golden Wings and other prospects including following up the significant results from the Hendricks prospect.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to figures in body of text.