

27th October 2016
Australian Securities Exchange Limited
Via Electronic Lodgement

Managing Director Increases Shareholding

Gascoyne Resources Limited (**Gascoyne** or **Company**) wishes to advise the Market that Gascoyne's Managing Director Michael Dunbar has increased his shareholding in the Company to 2,450,000 ordinary shares.

The increase is as a result of exercise of employee incentive options granted to Mr Dunbar in 2013 which were due to expire next month. The exercise and the resulting tax obligations have been funded by the sale of some of his existing holding in the Company.

A change of director's interest notice (Appendix 3Y) is attached.



David Lim
Joint Company Seceretary
Tel: +61 8 9481 3434
Email: admin@gascoyneresources.com.au



Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	Gascoyne Resources Limited
ABN	57 139 522 900

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Michael Dunbar
Date of last notice	18 November 2013

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Michael Dunbar and Jodi Dunbar <M&J Dunbar Family Trust A/C>
Date of change	Acquisition: 26 October 2016 Disposal: 26 October 2016
No. of securities held prior to change <u>Indirect</u> Michael Dunbar and Jodi Dunbar <M&J Dunbar Family Trust A/C>	1,650,000 Fully paid ordinary shares 2,300,000 Employee incentive options exercisable at \$0.26 expiring 15 November 2016, vesting 50% on issue and 50% on 15 November 2014
Class	Fully paid ordinary shares
Number acquired	2,300,000 Fully paid ordinary shares on the exercise of 2,300,000 Employee incentive options at an exercise price of \$0.26 per share.
Number disposed	1,500,000 Fully paid ordinary shares to fund exercise of Employee incentive options and resulting tax obligations

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Acquisition: \$598,000 Disposal: \$845,595
No. of securities held after change <u>Indirect</u> Michael Dunbar and Jodi Dunbar <M&J Dunbar Family Trust A/C>	2,450,000 Fully paid ordinary shares
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Acquisition: Exercise of Employee incentive options Disposal: Off market trade

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	
If prior written clearance was provided, on what date was this provided?	

⁺ See chapter 19 for defined terms.