

November 29th, 2016
Australian Securities Exchange Limited
Via Electronic Lodgement

KEY MANAGEMENT APPOINTMENTS MADE AS DALGARANGA PROGRESSES TOWARDS DEVELOPMENT

- **Two key senior management appointments made as the Dalgaranga Project moves towards development:**
 - **Mr Ian Kerr has been appointed as Development Manager**
 - **Mr David Lim has been appointed as Chief Financial Officer (CFO)**
- **Tenders for the SAG Mill required for the new 2.5Mtpa Processing Plant have been received and the tender process closed. Assessment of the tenders is underway with the award of the preferred supplier expected in the next few weeks.**
- **The Company has secured a second hand 182 person accommodation village including a kitchen, messing facilities and associated infrastructure for the Dalgaranga Village**
- **The Company has also secured a mix of second hand and new site buildings including the project administration office, maintenance offices, ablution facilities and crib rooms for the processing plant and administration complex.**
- **The Company has received confirmation from the Department of Mines and Petroleum (DMP) that the Native Vegetation Clearing Permit has been approved.**
- **The Mining Proposal, Mine Closure Plan and Works Approval are progressing through the DMP approval process. These approvals are expected to be received in early Q1 CY2017.**

Gascoyne Resources Limited (**Gascoyne** or **Company**) (**ASX:GCV**) having recently completed the Feasibility Study (**FS**) on its 80% owned Dalgaranga Gold Project in the Murchison region of Western Australia, is pleased to announce that in readiness for project development it has made two key management appointments, and has secured core site infrastructure to progress towards the development of the project. The Dalgaranga Gold Project contains a Measured, Indicated and Inferred Resource of **25.7 Mt @ 1.4 g/t gold for 1.12Moz of contained gold** (see Figure 1&2) and a recently updated Proved and Probable Ore Reserve of **13.3Mt @ 1.29 g/t for 552,000 ounces of contained gold** (See ASX Announcement 25th November 2016 for full details).

KEY MANAGEMENT APPOINTMENTS

The Company is pleased to advise that two key management appointments have been made as it moves into the development phase for its Dalgaranga Gold Project.

Mr Ian Kerr has been appointed as the Company's Development Manager. Mr Kerr's initial focus will be on managing the development of the Dalgaranga Gold Project, and once this has been completed Mr Kerr will commence work on Gascoyne's 100% owned +1.0 million ounce Glenburgh Gold Project.

Prior to his appointment with Gascoyne, Mr Kerr has spent the last 8 ½ years working for Mintrex Pty Ltd, a highly respected and successful engineering group who have been instrumental in the design of a number of mineral processing facilities, including Regis Resources' three gold processing plants in Western Australia, Millennium Minerals' Nullagine gold project as well as numerous other developments around the world.

Prior to working with Mintrex, Mr Kerr has had a distinguished career over the last three decades in both project management and operations management, having taken a number of mining projects from concept through to commissioning for a number of Australian and international mining companies.

Mr Kerr has a detailed knowledge of the Dalgaranga Gold Project, having been the Project Manager for Mintrex on the Dalgaranga project for both the PFS and FS.

Mr David Lim has been appointed as Chief Financial Officer of the Company. Mr Lim has been working with Gascoyne in an interim capacity as Joint Company Secretary for the last 6 months.

Mr Lim is a company executive with over 16 years of experience in the resources sector. He spent 12 years working for Equigold NL, a successful Australian gold exploration and mining company which developed and operated several gold mines in Australia and West Africa, and was Equigold's CFO and Company Secretary at the time of the company's merger with Lihir Gold in 2008. He has worked for ASX listed companies operating in the Oil and Gas, Coal, Iron ore, Lithium and Gold sectors, and has experience with companies operating in Australia, Indonesia, Peru, USA and West Africa.

PROGRESS TOWARDS DEVELOPMENT

The Company is pleased to announce that significant progress is being made on early development activities for the Dalgaranga Gold Project. The progress includes:

- Tenders for the SAG Mill required for the new 2.5Mtpa Processing Plant have been closed. Assessment of the tenders is underway with the award of the preferred supplier expected in the next few weeks.
- The Company has secured a second-hand 182 person accommodation village including a kitchen, messing facilities and associated infrastructure for the Dalgaranga village. The accommodation village will be owned by the third party on a "lease to buy" arrangement. Gascoyne is responsible for the camp installation and a series of lease payments over a 60 month period, after which ownership is transferred to Gascoyne.
- The Company has also secured a mix of second-hand and new site buildings including the project administration office, maintenance offices, ablution facilities and crib rooms for the processing plant and administration complex. Securing these second-hand facilities confirms the low capital costs budgeted in the FS for the offices, and provides considerable savings over new facilities.
- The Company is pleased to report that it has received confirmation from the DMP that the Native Vegetation Clearing Permit has been approved.
- The Mining Proposal, Mine Closure Plan and Works Approval are progressing through the DMP approval process. These approvals are expected to be received in early Q1 CY2017.

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

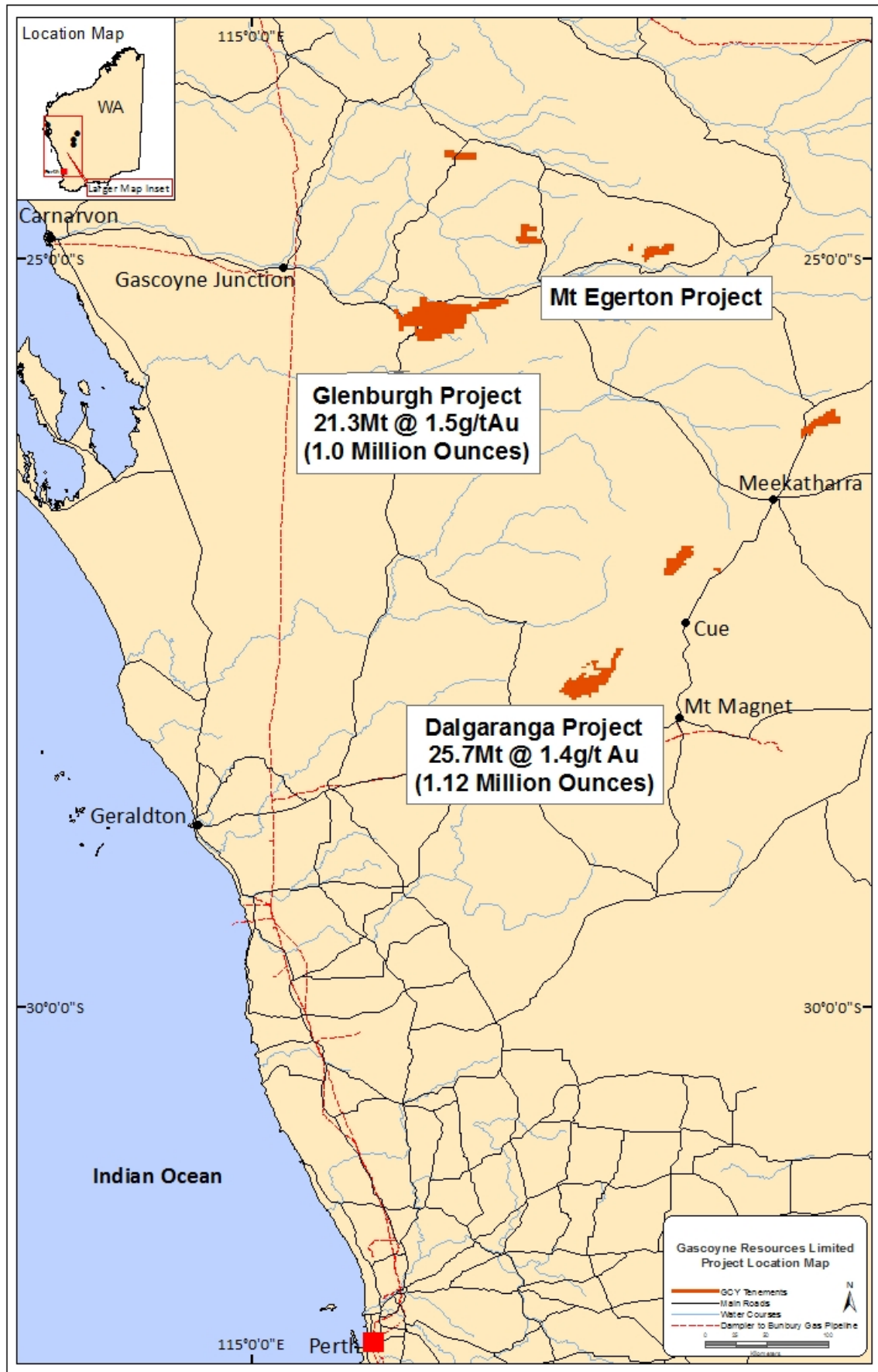


Figure 1: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

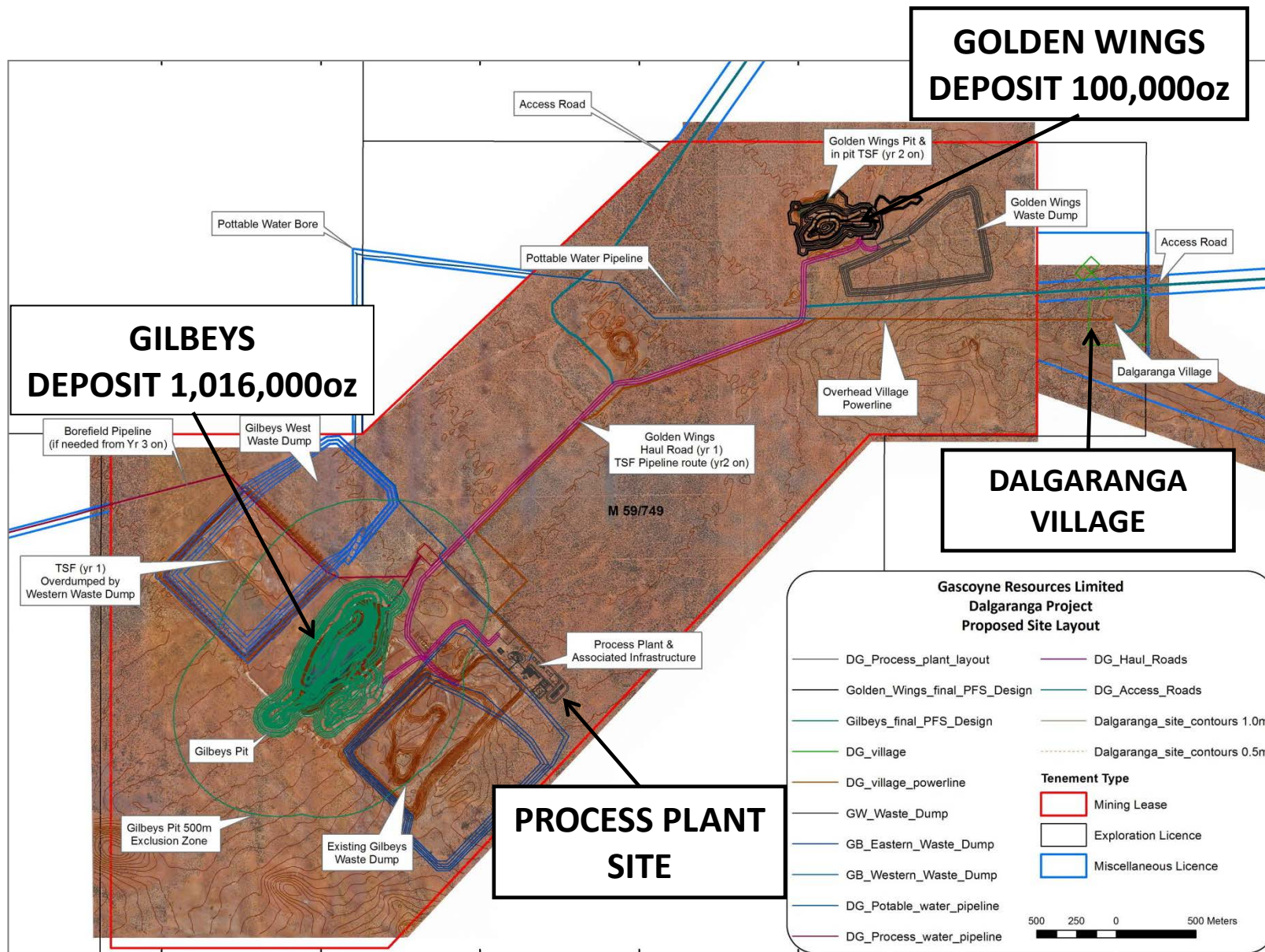


Figure 2: Plan of Dalgaranga Deposits and Prospect Location

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 **25.7 Mt @ 1.4g/t Au for 1,116,000 ounces** of contained gold (Table 1). The Dalgara project has an Initial **Proved and Probable Ore Reserve of 552,000 ounces of gold** (Table 2).

The FS study that has been completed has highlighted a robust development case for the project.

The FS investigated the development of two open pits feeding a 2.5Mtpa processing facility resulting in production of around 100,000ozpa for 6 years and concluded 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 1 – Dalgara September 2016 Mineral Resource Estimate
(0.5 g/t Cut-off Above 120 mRL, 1.0 g/t Cut-off Below 120 mRL)

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	1.11	17,000	0.1	0.8	3,000	0.6	1.1	21,000
Oxide	0.4	1.69	22,000	1.0	1.65	55,000	0.6	1.7	31,000	2.0	1.7	108,000
Transitional	0.3	1.83	17,000	0.8	1.69	42,000	0.3	1.5	14,000	1.4	1.7	74,000
Fresh	2.2	1.31	94,000	11.2	1.28	460,000	8.3	1.3	360,000	21.7	1.3	913,000
Total	2.9	1.41	133,000	13.4	1.33	574,000	9.3	1.4	408,000	25.7	1.4	1,116,000

Table 2 Ore Reserve Statement - Dalgara Project November 2016 (100% basis)

Ore Reserves	Tonnes (M tonnes)	Gold Grade (g/t)	Contained ounces (oz)
Proven	3.1	1.28	129,000
Probable	10.2	1.29	423,000
Ore Reserves Total	13.3	1.29	552,000

Note: Rounding errors may occur

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 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
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 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

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 Managing Director Mr Mike Dunbar who is a member of The Australasian Institute of Mining and Metallurgy and Mr Karl van Olden, a full-time employee of CSA Global Pty Ltd, who is a fellow of The Australasian Institute of Mining and Metallurgy. Mr Dunbar and Mr van Olden have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dunbar and Mr van Olden consent 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 7th September 2016 titled: 40% Increase in Gilbeys Measured and Indicated 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.