



January 25th 2017
Australian Securities Exchange Limited
Via Electronic Lodgement

FURTHER RESULTS RECEIVED FROM GILBEYS SOUTH RC DRILLING AT DALGARANGA

- New results from late 2016 Gilbeys South resource drill out continue to show broad zones of mineralisation south of the existing Gilbeys open pit and resource, including:
 - 8m @ 11.5 g/t from gold 28m including 1m @ 83.7 g/t gold
 - 1m @ 41.7 g/t from 96m
 - 19m @ 1.2 g/t gold from 19m
 - 13 @ 1.2 g/t gold from 11m
 - 11m @ 1.8 g/t gold from 20m
 - 7m @ 1.5 g/t gold from 52m
 - 7m @ 1.4 g/t gold from 135m
 - 8m @ 1.4 g/t gold from 159
 - 5m @ 1.3 g/t gold from 52m
- All assays now received from initial Gilbeys South resource drilling
- Update to Resources and Reserves expected in February.
- New gold trend identified between Gilbeys South and Sly Fox, including:
 - 5m @ 2.9 g/t gold from 92m
 - 8m @ 1.1 g/t gold from 46m
- Drilling to follow up the new Sly Fox gold discovery to commence next week
- Significant and regular news flow expected over the coming months

Gascoyne Resources Limited ("Gascoyne" or "Company") is pleased to advise that it has received the final assay results from the late 2016 RC drill programme at Gilbeys South. The 100% owned Dalgara Gold Project contains a Measured, Indicated and Inferred Resource of **25.7Mt @ 1.4 g/t gold for 1.12 million ounces of contained gold** including **Proved and Probable Ore Reserve of 552,000 ounces of gold** (see Figures 1 & 2 & Tables 3 & 4 below). The Company expects to report an update to Resources and Reserves later this quarter which will include the Gilbeys South prospect. As announced to the ASX on 23 January 2017, metallurgical testwork results confirm that the Gilbeys South gold mineralisation can be recovered through the proposed Dalgara process plant with high recoveries and low reagent consumption.

Gilbeys South 2016 Drilling

Final results from 2016 Gilbeys South resource drilling have been received. (See Table 1 & 2 and Figure 3). Results continue to show broad zones of gold mineralisation south of the existing Gilbeys open pit and resource. A number of high grade zones have been identified with grades up to **83.7 g/t gold** intersected. In addition to the receipt of the final results from Gilbeys South, promising results have also been received from a number of RC holes drill testing below mineralised aircore holes between Gilbeys South and the Sly Fox prospect, which suggest the presence of a sub parallel gold bearing trend. Better results from this zone include, **5m @ 2.9g/t gold from 92m in DGRC283, 8m @ 1.1g/t gold from**



46m in DGRC279 and 11m @ 0.9g/t gold from 69m in DGRC281 (see Figure 3). Additional drilling is being planned around the new trend to confirm the orientation and continuity of the mineralisation.

Sly Fox Prospect

The Company expects to commence RC drilling to follow up the new Sly Fox gold discovery within the next week. Sly Fox is located only 600m south of Gilbeys deposit, and 500m south east of the Gilbeys South prospect.

Initial aircore drilling reported by the Company on 15 December 2016 intersected very near surface and significant downhole thicknesses of gold mineralisation, with 4m composite results including:

- **36m @ 2.3 g/t Au from 16m, including 16m @ 4.2g/t**
- **39m @ 1.1 g/t gold from 8m to EOH**
- **47m @ 0.5 g/t gold from surface to EOH**

Significant Newsflow over the Coming Months

As announced to the ASX on the 25th November, 2016 the Gascoyne Board has approved the Feasibility Study and subject to obtaining a suitable financing arrangement, has approved the project to proceed to construction.

Whilst financing is progressed over the coming months, the Company expects to deliver significant and regular news flow as it continues to make strong progress on early development activities and continues to progress an extensive exploration programme, with key news flow to be reported including:

- Completion of project permitting and securing of long lead time items required for construction of the plant;
- Release of a large number of Aircore drill results that are pending;
- Mineral Resource update at Gilbeys, including a maiden resource in respect of Gilbeys South;
- An update to the Ore Reserve, Open Pit Mine Designs and Mine Schedule;
- Commencement of Sly Fox RC drilling; and
- Additional drilling planned for new trend between Gilbeys South and Sly Fox.

All of these activities as well as a continuing aggressive exploration programme will be completed with the Company's existing funds over the coming months.

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

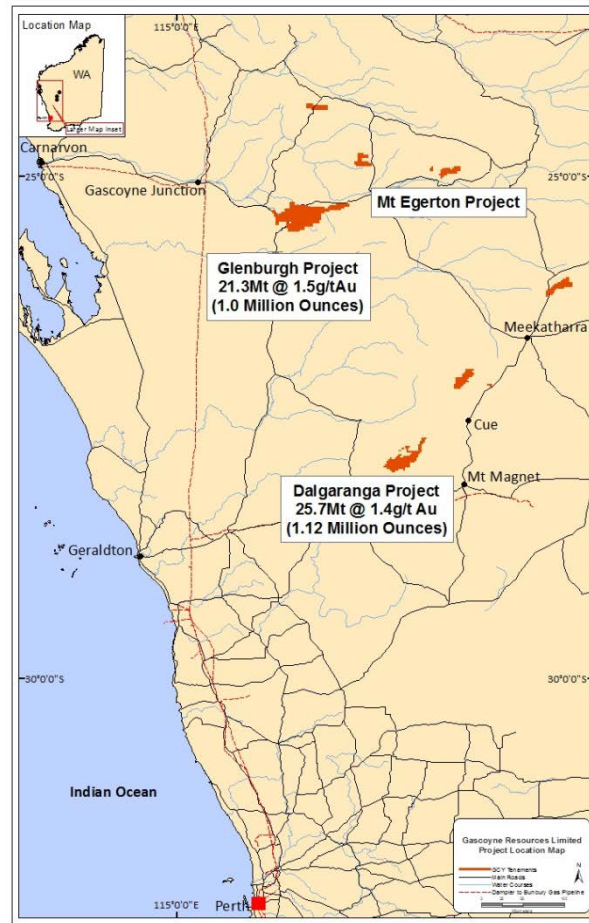


Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

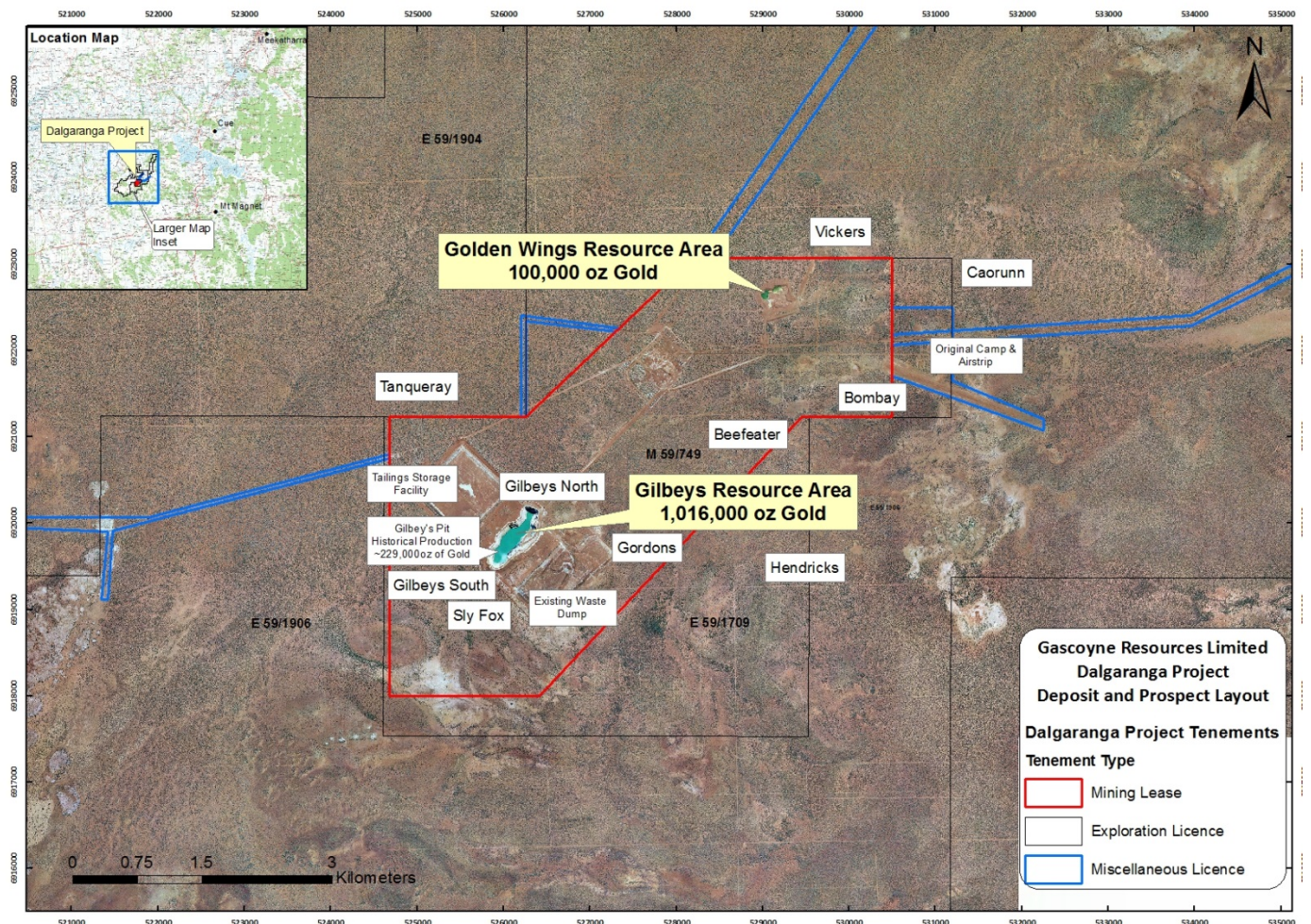


Figure Two: Dalgarranga Gold Project Deposit and Prospect Layout

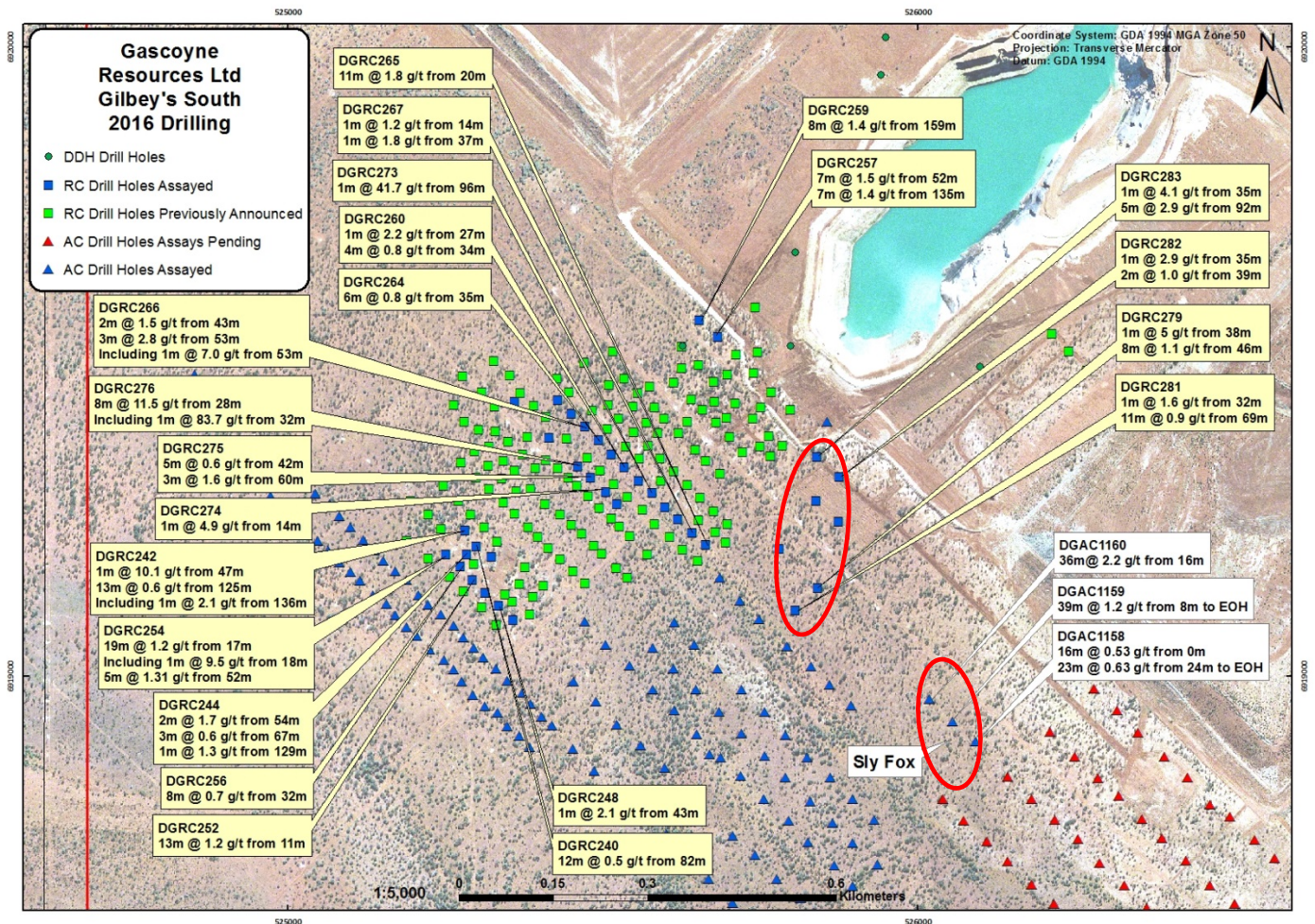


Figure Three: Dalgara Gold Project, Gilbeys South – Recent RC Drill Intersections

Table 1: Gilbeys South RC Significant Results (+0.5 g/t gold)

Hole ID	From (m)	To (m)	Interval (m)	Gold Grade g/t	Grade * Interval	Comment
DGRC238	85	90	5	0.5	2.5	
DGRC240	82	94	12	0.5	6	
DGRC242	47	48	1	10.1	10.1	
	125	138	13	0.6	7.8	
	136	137	1	2.1	2.1	
DGRC244	54	56	2	1.7	3.4	
	67	70	3	0.6	1.8	
	129	130	1	1.3	1.3	
DGRC246	39	40	1	1.3	1.3	
DGRC248	43	44	1	2.1	2.1	
DGRC250	23	25	2	0.8	1.6	
DGRC251	113	119	6	0.6	3.6	
DGRC252	11	24	13	1.2	15.6	
DGRC254	17	36	19	1.2	22.8	
Including	18	19	1	9.5	9.5	
	52	57	5	1.3	6.55	
DGRC256	32	40	8	0.7	5.6	
DGRC257	52	59	7	1.5	10.5	
	135	142	7	1.4	9.8	
DGRC259	159	167	8	1.4	11.2	
DGRC260	27	28	1	2.2	2.2	
	34	38	4	0.8	3.2	
DGRC264	35	41	6	0.8	4.8	
DGRC265	20	31	11	1.8	19.8	
DGRC266	43	45	2	1.5	3	
	53	56	3	2.8	8.4	
Including	53	54	1	7.0	7.0	
DGRC267	14	15	1	1.2	1.2	
	37	38	1	1.8	1.8	
DGRC273	96	97	1	41.7	41.7	
DGRC274	14	15	1	4.9	4.9	
DGRC275	42	47	5	0.6	3	
	60	63	3	1.6	4.8	
DGRC276	28	36	8	11.5	92	
Including	32	33	1	83.7	83.7	
DGRC279	38	39	1	5.0	5.0	New trend
	46	54	8	1.1	8.8	
DGRC280	45	46	1	1.1	1.1	New trend
DGRC281	32	33	1	1.6	1.6	New trend
	69	80	11	0.9	9.9	
DGRC282	35	36	1	2.9	2.9	New trend
	39	41	2	1.1	2.1	
DGRC283	35	36	1	4.1	4.1	New trend
	92	97	5	2.9	14.5	

Table 2: Gilbeys South RC Hole Locations

Prospect	Hole ID	Depth	Easting	Northing	RL	Dip	Azimuth	Comments
Gilbeys South	DGRC238	150	525324	6919189	426	-60	135	
Gilbeys South	DGRC240	150	525300	6919206	426	-60	135	
Gilbeys South	DGRC242	150	525283	6919232	426	-60	135	
Gilbeys South	DGRC244	185	525285	6919194	426	-60	135	
Gilbeys South	DGRC246	66	525358	6919089	427	-60	135	
Gilbeys South	DGRC248	90	525335	6919111	426	-60	135	
Gilbeys South	DGRC250	133	525314	6919133	426	-60	135	
Gilbeys South	DGRC251	167	525281	6919404	425	-60	132	
Gilbeys South	DGRC252	144	525294	6919152	426	-60	135	
Gilbeys South	DGRC253	209	525264	6919430	425	-60	131	
Gilbeys South	DGRC254	138	525251	6919194	426	-60	135	
Gilbeys South	DGRC255	147	525678	6919436	426	-60	134	
Gilbeys South	DGRC256	180	525274	6919173	426	-60	135	
Gilbeys South	DGRC257	177	525683	6919539	425	-60	132	
Gilbeys South	DGRC258	80	525558	6919310	426	-60	133	
Gilbeys South	DGRC259	185	525655	6919566	425	-60	131	
Gilbeys South	DGRC260	111	525535	6919332	426	-60	133	
Gilbeys South	DGRC261	139	525415	6919378	426	-60	134	
Gilbeys South	DGRC262	110	525515	6919352	426	-60	133	
Gilbeys South	DGRC263	160	525361	6919435	425	-60	132	
Gilbeys South	DGRC264	87	525494	6919375	426	-60	133	
Gilbeys South	DGRC265	51	525664	6919208	427	-60	135	
Gilbeys South	DGRC266	117	525472	6919396	426	-60	133	
Gilbeys South	DGRC267	80	525642	6919228	427	-60	135	
Gilbeys South	DGRC268	140	525451	6919416	426	-60	133	
Gilbeys South	DGRC269	100	525620	6919249	427	-60	133	
Gilbeys South	DGRC270	159	525429	6919439	426	-60	133	
Gilbeys South	DGRC271	117	525599	6919268	427	-60	133	
Gilbeys South	DGRC272	80	525523	6919273	427	-60	133	
Gilbeys South	DGRC273	114	525579	6919290	427	-60	133	
Gilbeys South	DGRC274	99	525505	6919293	426	-60	133	
Gilbeys South	DGRC275	99	525481	6919315	426	-60	133	
Gilbeys South	DGRC276	81	525461	6919333	426	-60	133	
Gilbeys South	DGRC277	99	525875	6919245	428	-60	135	
Gilbeys South	DGRC278	117	525840	6919278	427	-60	135	
Gilbeys South	DGRC279	99	525843	6919140	428	-60	135	
Gilbeys South	DGRC280	110	525782	6919202	428	-60	135	
Gilbeys South	DGRC281	101	525807	6919105	428	-60	135	
Gilbeys South	DGRC282	80	525876	6919316	427	-60	135	
Gilbeys South	DGRC283	111	525840	6919348	427	-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 100% owned gold projects combined have over **2.1 million ounces of contained gold on granted Mining Leases**:

DALGARANGA:

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 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 3). The Dalgaranga project has a **Proved and Probable Ore Reserve of 552,000 ounces of gold** (Table 4).

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 3 – Dalgaranga 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 4 Ore Reserve Statement - Dalgaranga Project November 2016

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: Discrepancies in totals are a result of rounding

GLENBURGH:

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, 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 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:

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 RungePincottMinarco 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 Dalgara Ore Reserve has been estimated by CSA Global 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 24th November 2016 titled: Feasibility confirms Dalgara as a low cost/high margin project). 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 Ore Reserves 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 to 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 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

Criteria	JORC Code explanation	Commentary
		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 Mining Lease Number M59/749. The tenement is 100% owned by Gascoyne Resources.
	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.