

July 5th 2017
Australian Securities Exchange Limited
Via Electronic Lodgement

DALGARANGA GOLD PROJECT EPC CONTRACT EXECUTION

Gascoyne Resources Limited ("Gascoyne" or "Company")(ASX:GCY) is pleased to announce that GNT Resources Pty Ltd (a wholly owned subsidiary of the Company) has executed an engineering, procurement and construction (EPC) contract (**Contract**) with GR Engineering Services Limited (ASX:GNG) (**GR Engineering**) for the design and construction of mineral processing facilities for Gascoyne's 100% owned Dalgaranga Gold Project (**Project**), which is located in the Murchison gold mining region of Western Australia.

GR Engineering has already commenced with the design and construction of a new 2.5Mtpa mineral processing plant and associated infrastructure for the Project. The Contract follows the entry into a letter of intent by the parties as announced on 20 March 2017 pursuant to which GR Engineering has progressed front end engineering design (FEED) and early initiation activities.

The Contract has been entered into on a guaranteed maximum price (GMP) basis, with a contract sum of approximately \$66.5 million. GR Engineering will initially continue engineering design and procurement activities until such time as site access is granted by Gascoyne, which is expected in August 2017, once preliminary earthworks have been sufficiently progressed to allow construction to commence.

Work under the Contract has commenced, with the Project expected to commence ore commissioning in the second quarter of calendar year 2018.

Commenting on the entry into the Contract, Gascoyne's Managing Director, Mr Mike Dunbar, said:

"We are pleased to have entered into the EPC Contract with GR Engineering, which has already commenced activities to bring the 100% owned Dalgaranga Gold Project into production in the second quarter of 2018. To have such a highly regarded construction firm as GR Engineering undertaking the build on a GMP basis, ensures that the project will not only be built on budget, but with the highest degree of safety and also in a timely manner. We look forward to working with GR Engineering to deliver a safe and successful project for our shareholders."

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

On behalf of the board of
Gascoyne Resources Limited

Mike Dunbar

Managing Director

