

August 7th 2017
Australian Securities Exchange Limited
Via Electronic Lodgement

DALGARANGA GOLD PROJECT – SLY FOX RESOURCE AND EXPLORATION UPDATE

- Sly Fox Mineral Resource updated to 1.7 Mt @ 1.5 g/t gold for 83,000 ounces of contained gold
- 25 % increase in Indicated Resources to 50,000 ounces (1.1 Mt @ 1.4 g/t gold)
- The increase in Resource confidence will allow estimation of an initial Ore Reserve for Sly Fox, which is expected to be completed within the next month, with potential to extend mine life or allow increased throughput of soft oxide ore.
- New Resource and Diamond drilling at Sly Fox (included in the updated Mineral Resource) intersected near surface high grades including:
 - 10m @ 2.9 g/t gold from 18m
 - 27m @ 1.6 g/t gold from 15m including;
 - 9m @ 3.6 g/t gold from 25m
 - 4m @ 6.5 g/t gold from 5m and;
 - 17m @ 2.6g/t gold from 14m
 - 8m @ 1.9 g/t gold from 8m and;
 - 9m @ 1.1 g/t from 21m to EOH
 - 15m @ 1.0 g/t gold from 15m to EOH
 - 8m @ 2.0 g/t from 17m to EOH
- Sly Fox located only 1,500m from Dalgaranga mill site, and the near surface higher grade oxide mineralisation is likely to be included early in mining schedule.

Gascoyne Resources Limited (“Gascoyne” or “Company”)(ASX:GCY) is pleased to announce an updated Mineral Resource estimate for the Company’s 100% owned Sly Fox gold deposit located less than 2km from the proposed Dalgaranga Gold Process Plant. The Sly Fox Mineral Resource has been updated to **1.7Mt @ 1.5 g/t Au for 83,000 ounces of gold**. The addition of this new Resource increases the global Dalgaranga Gold Project Resources to **31.3Mt @ 1.3 g/t Au for 1,320,000 ounces of contained gold** including **Proved and Probable Ore Reserves of 581,000 ounces of gold** (see Figures 1 & 2 & Tables 1 & 2) below). The Ore Reserves exclude the Sly Fox Mineral Resource.

Gascoyne’s Managing Director Mr Mike Dunbar commented;

“This new Mineral Resource estimate for the Sly Fox deposit further enhances the Dalgaranga Gold Project and demonstrates the potential to further extend the mine life of the Project. With the Resource updated and the increase in the Resource confidence, it is expected that a maiden Ore Reserve for Sly Fox will be completed in the next month, less than 6 months since the deposit was discovered.

The addition of these shallow and soft ores through the mill in the early years is expected to lift the production rates in the early years of production”



Sly Fox Resource

The Mineral Resource modelling and estimation has been completed by RPMGlobal Holdings Limited, a leading independent global mining consultancy (see Table 1 for the breakdown of the Mineral Resource classification).

This Resource update for the Sly Fox deposit will form the basis for an initial Ore Reserve for the deposit which is expected to be completed in the next month once the geotechnical drilling data is compiled. The Ore Reserve will be integrated into the development plan for the Dalgara Gold Project. Given the strong grade of the Resource, it is expected that any pit at Sly Fox will be scheduled early in the mine plan, further enhancing the gold production profile in the early years of the Projects' development.

Highlights from the Sly Fox Mineral Resource include:

- o 1.7Mt @ 1.5 g/t gold for 83,000 ounces of contained gold
- o 50,000 ounces of the Resource in the Indicated category
- o An increase of strike of the Resource to over 350m.
- o Total Mineral Resource at Dalgara has increased to 31.3Mt @ 1.3 g/t gold for 1,320,000 ounces of contained gold
- o The robustness of the Resource is highlighted in the grade tonnage curves and the ounces per vertical metre graph (see Figure 8 & 9)

Table 1– Sly Fox August 2017 Mineral Resource Estimate (0.5 g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnage Mt	Au g/t	Au Ounces	Tonnage Mt	Au g/t	Au Ounces	Tonnage Mt	Au g/t	Au Ounces
Oxide	0.2	2.0	12,000	0.01	1.7	1,000	0.2	2.0	12,000
Transitional	0.2	1.1	9,000	0.01	0.8	200	0.3	1.1	9,000
Fresh	0.7	1.4	30,000	0.6	1.7	32,000	1.3	1.5	62,000
Total	1.1	1.4	50,000	0.6	1.7	33,000	1.7	1.5	83,000

Note:

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is an employee of RPM and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at 2nd August, 2017. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

Table 2– Dalgara Project August 2017 Mineral Resource Estimate (0.5 g/t Au Cut-off)

Type	Measured			Indicated			Inferred			Total		
	Tonnage Mt	Au g/t	Au Ounces	Tonnage Mt	Au g/t	Au Ounces	Tonnage Mt	Au g/t	Au Ounces	Tonnage Mt	Au g/t	Au Ounces
Laterite				0.6	1.1	19,500	0.02	0.7	500	0.6	1.1	20,000
Oxide	0.2	1.6	8,000	1.8	1.7	97,000	0.8	1.4	40,000	2.8	1.6	142,000
Transitional	0.5	2.1	30,000	1.2	1.4	57,000	0.5	1.5	25,000	2.2	1.6	109,000
Fresh	2.2	1.4	94,000	12.6	1.2	503,000	11.0	1.3	445,000	25.7	1.3	1,041,000
Total	2.8	1.5	133,000	16.2	1.3	676,500	12.3	1.3	510,500	31.1	1.3	1,320,000

Foot notes for Table 1 also apply to Table 2

Sly Fox Aircore and Diamond Drilling

The excellent results from the recently completed aircore drilling at the Sly Fox deposit have been received and integrated into the new Resource update. The drilling predominantly targeted near surface Inferred material delineated in the Maiden Resource for the deposit with some holes testing for strike extensions to the mineralisation both NW and SW along the Sly Fox shear zone. Assay results received from the two geotech diamond drill holes were also added to the Resource data at Sly Fox; the diamond drill holes were primarily drilled to provide geotechnical inputs for the design the Sly Fox open pit (Figure 3). Of note are the intersections **10m @ 2.9 g/t gold from 18m in DGAC2205, 4m @ 6.5 g/t gold from 5m and 17m @ 2.6g/t gold in DGAC2208, 27m @ 1.6 g/t gold from 15m including 9m @ 3.6 g/t gold from 25m in DGAC2219** (See table 3 and 4).

Mineralisation comes to within 1m of surface at Sly Fox.

As announced by the Company previously (refer ASX Announcement 11 May, 2017), metallurgical recoveries are excellent, averaging well above 90% and as high as 98% in the oxide zone, with high gravity gold recovery and low reagent consumption. These characteristics bode well for achieving strong economics in the processing of this material.

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

Competent Persons Statement

The information in this Report that relates to Mineral Resources for the Sly Fox Deposit is based on information compiled by Shaun Searle who is a Member of the Australasian Institute of Geoscientists. Mr Searle is an employee of RPMGlobal Holdings Limited. Mr Searle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Searle consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Information in this announcement relating to exploration – resource drilling at the Dalgaranga project is based on data compiled by Gascoyne's Chief Geologist 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 Dalgaranga and Glenburgh Mineral Resources have been estimated by RPMGlobal Holdings 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 15th March 2017 titled "Dalgaranga Gold Resource Increased to over 1.2Moz" and 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 Dalgaranga Ore Reserve has been estimated by Mr Harry Warries, an employee of Mining Focus Consultants 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 21st June 2017 titled "Dalgaranga Gold Project – Development Update). 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 information in this Report that relates to Mineral Resources for the Hibernian Deposit is based on information compiled by Mike Dunbar who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Dunbar is a full time employee of Gascoyne Resources Limited. Mr Dunbar is the Competent Person for this Mineral Resource estimate and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dunbar consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

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.

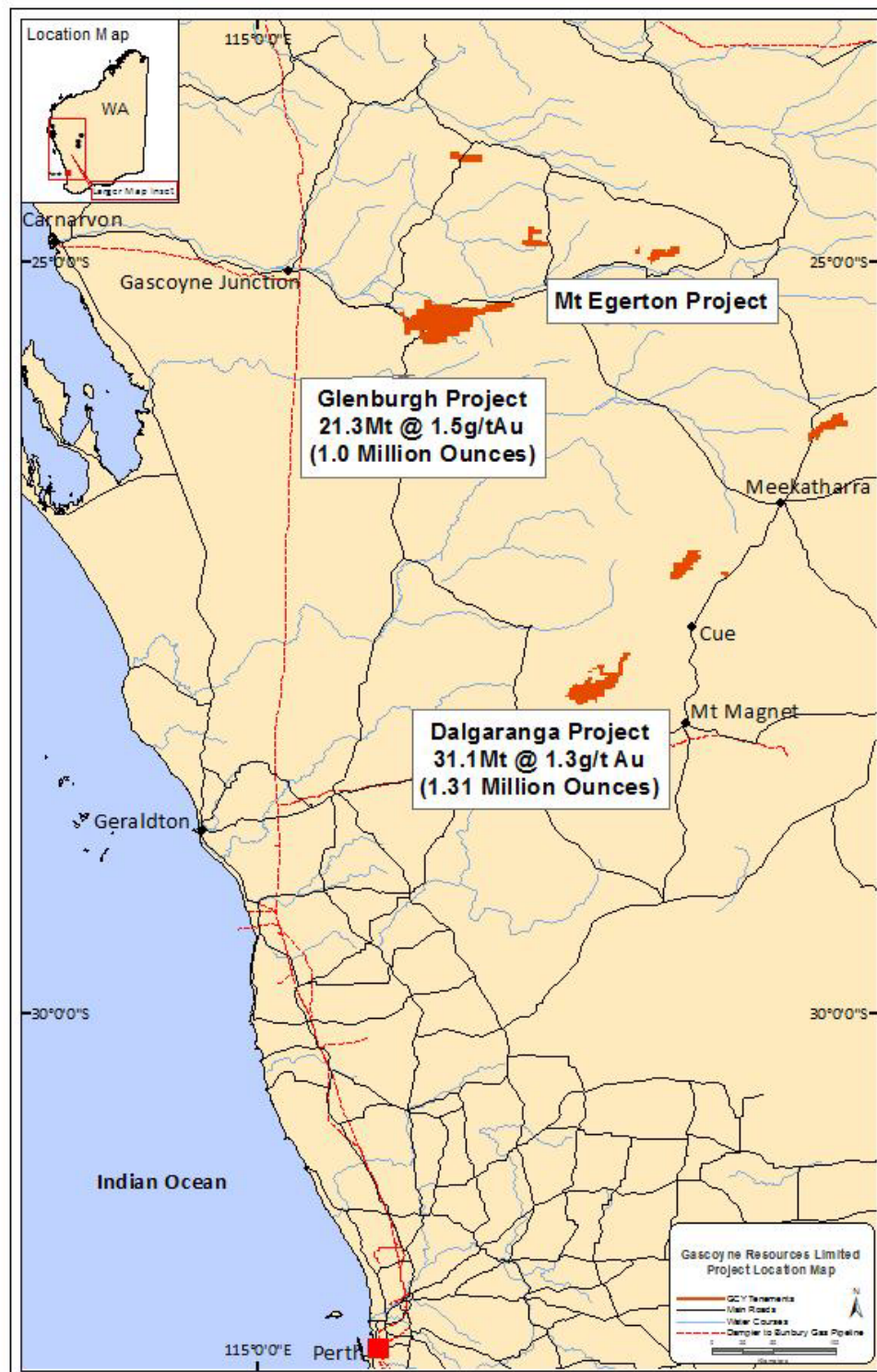


Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

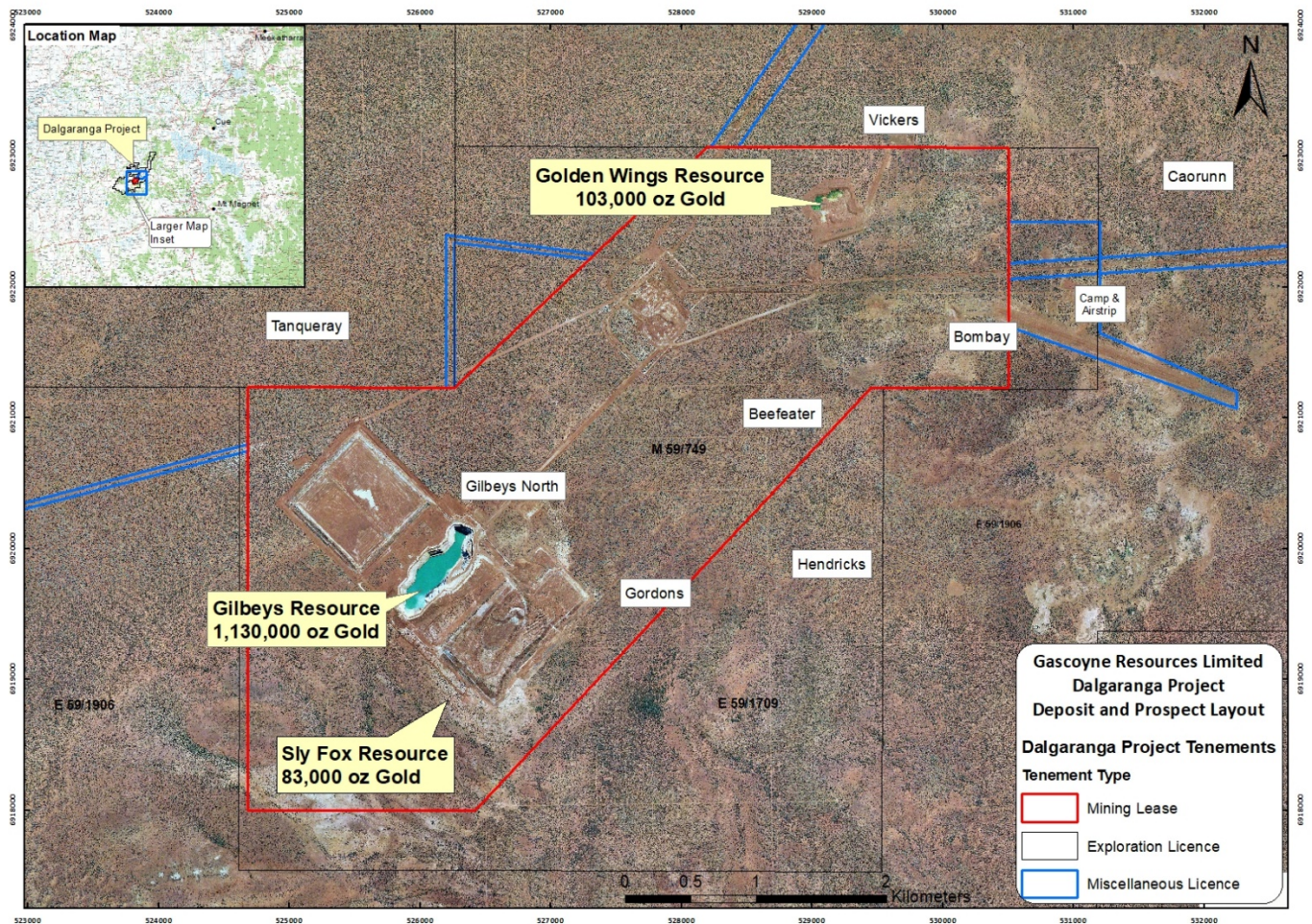


Figure Two: Dalgara Gold Project Deposit and Prospect Layout

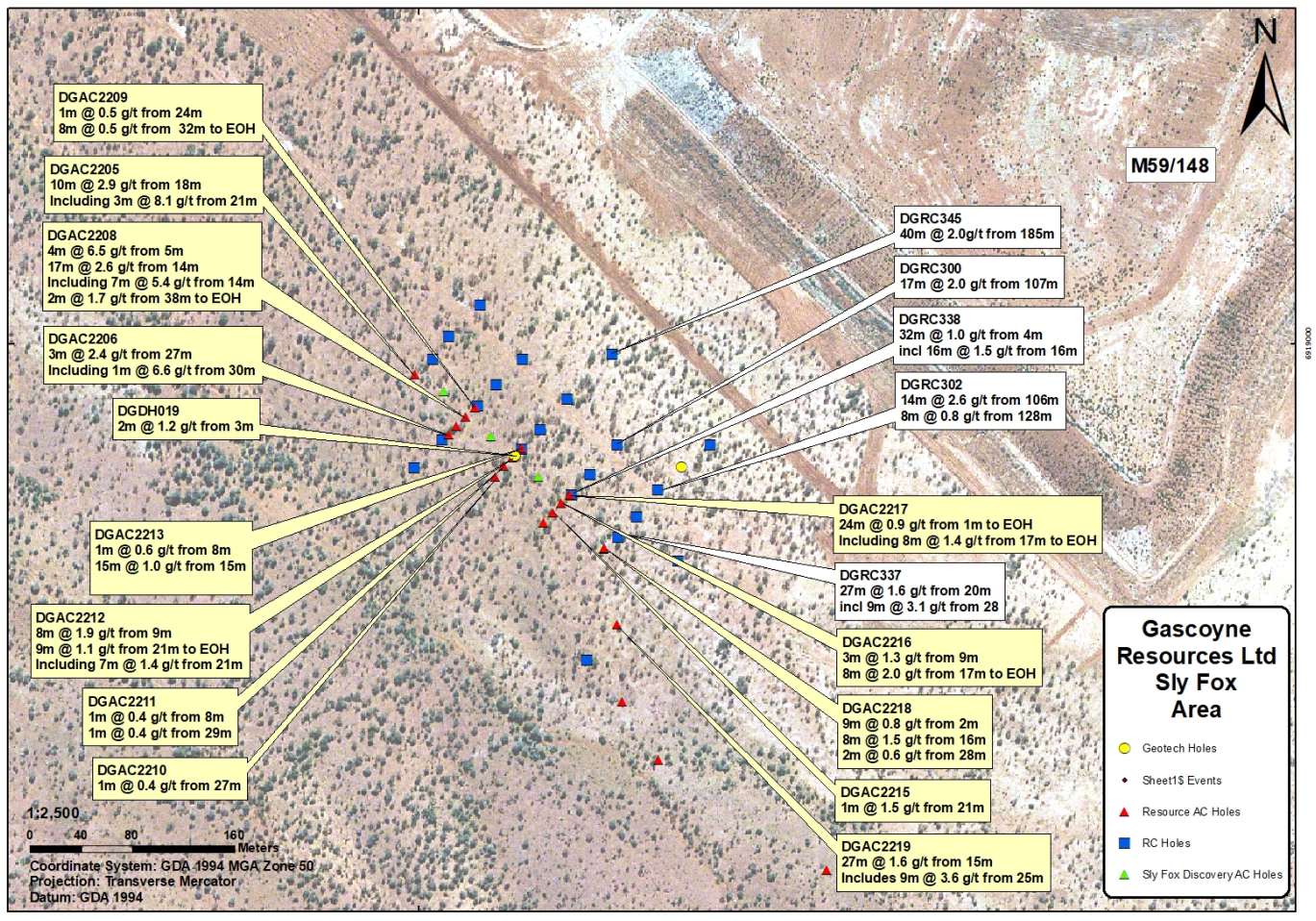


Figure Three: Dalgara Gold Project, Sly Fox Area– Location of Recent Aircore Drilling Intersections

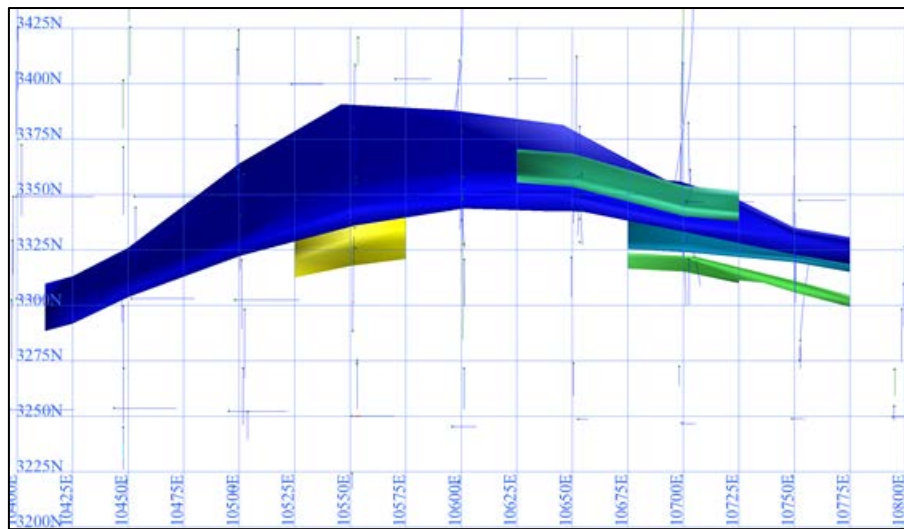


Figure Four: Plan View of Sly Fox Deposit and Wireframes

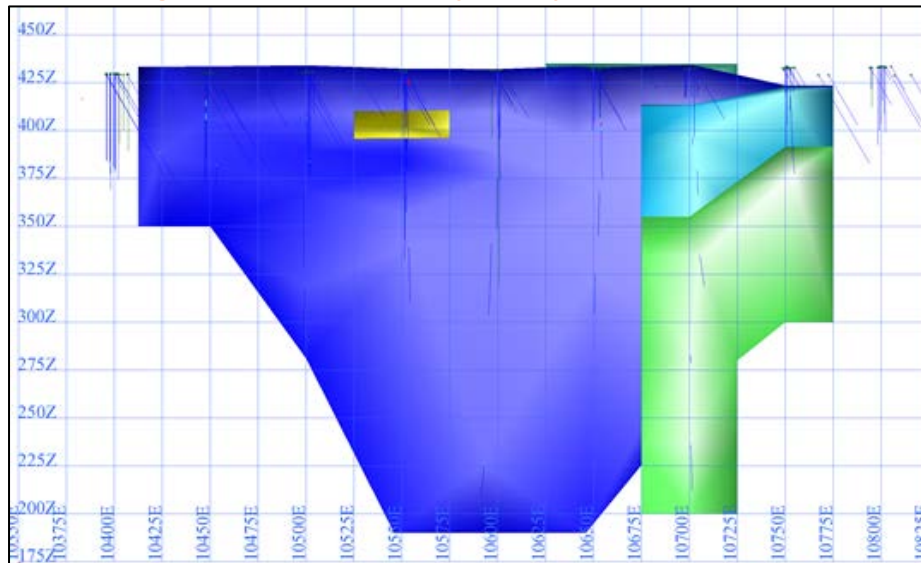


Figure Five: Long Section of Wireframes and Drilling - Sly Fox Deposit (View looking North)

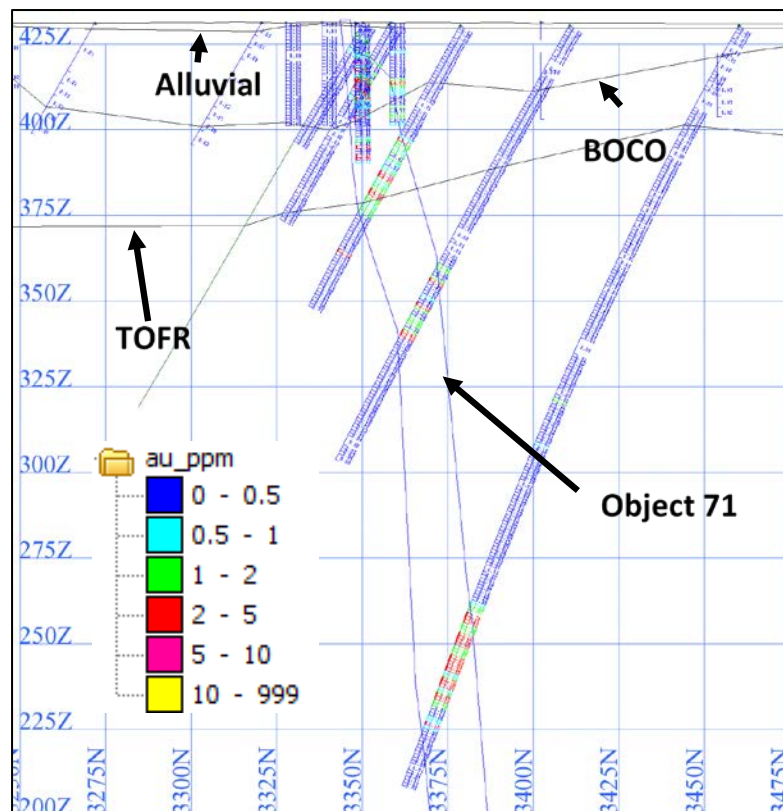


Figure Six: Cross Section of Wireframes and Drilling on Section 10600E

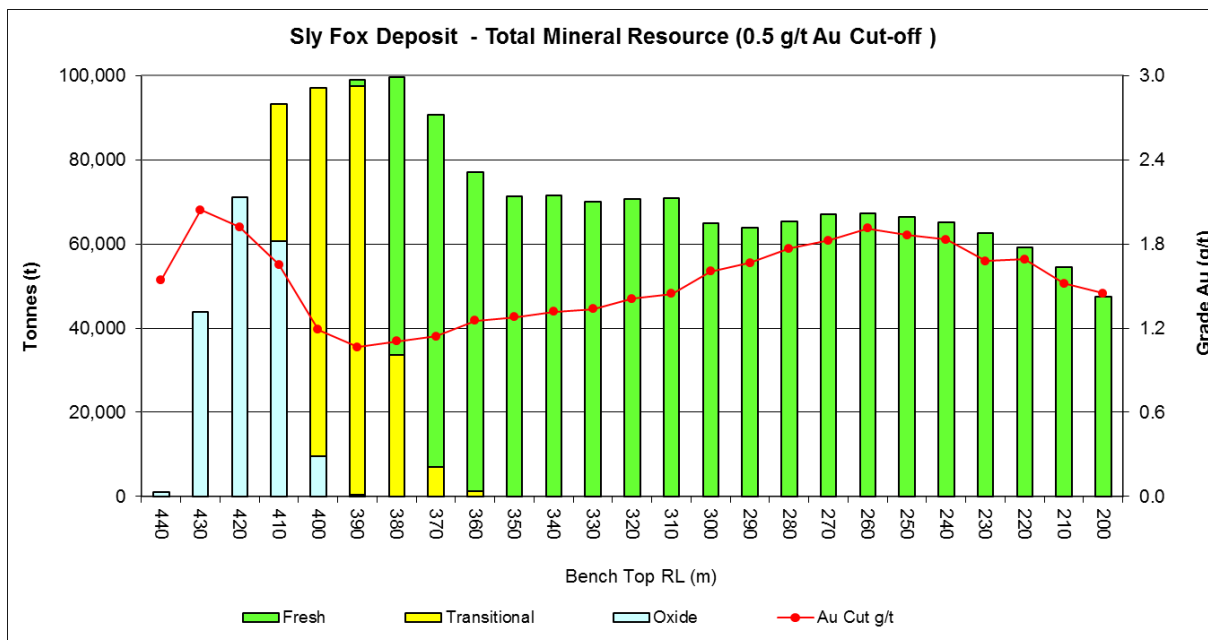


Figure Seven: Sly Fox Mineral Resource per 10m Bench, showing grade and Material Type

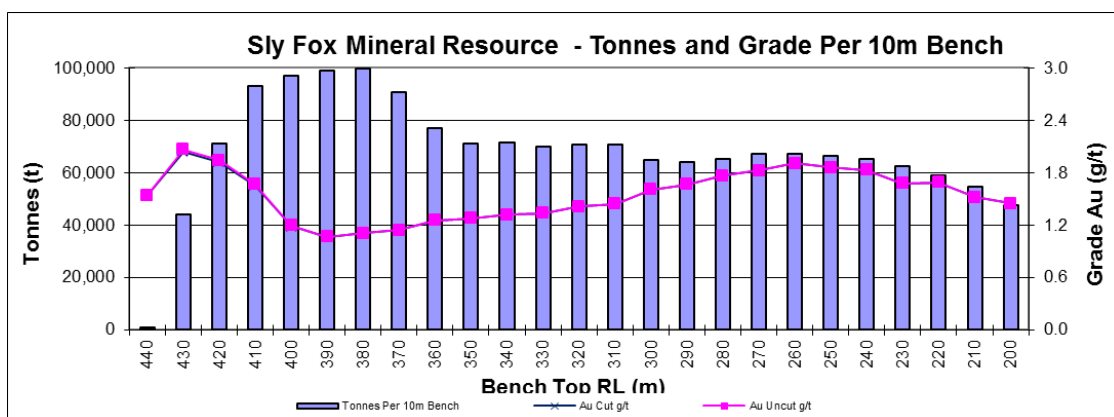


Figure Eight: Sly Fox Mineral Resource Tonnes and Grade per vertical metre

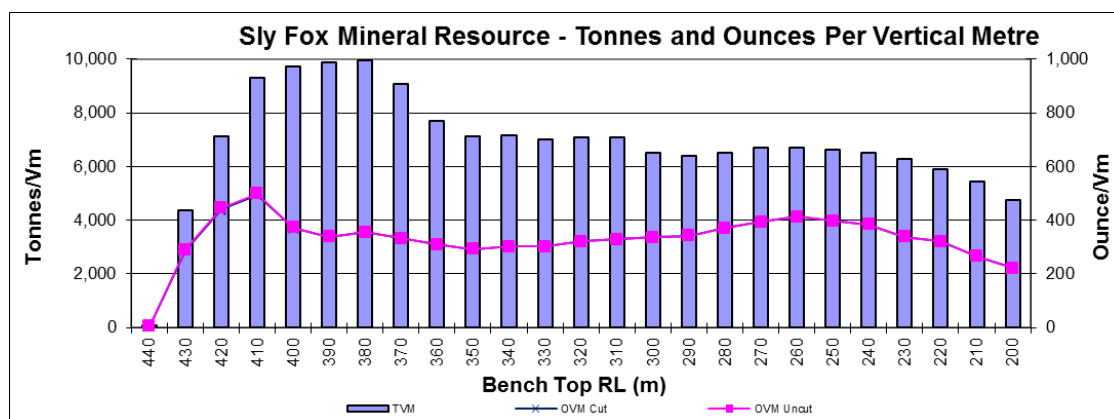


Figure Nine: Sly Fox Mineral Resource Tonnes and Grade per vertical metre

Table 3: Sly Fox Aircore and Diamond Drill Holes - Significant Results (+0.5 g/t gold)

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
DGAC2205	18	28	10	2.9	Sly Fox Resource
includes	21	24	3	8.1	
DGAC2206	27	30	3	2.4	Sly Fox Resource
includes	30	31	1	6.6	
DGAC2207	24	25	1	0.9	Sly Fox Resource
DGAC2208	5	9	4	6.5	Sly Fox Resource
DGAC2208	14	31	17	2.6	Sly Fox Resource
includes	14	21	7	5.4	
	38	40	2	1.7 (EOH)	
DGAC2209	32	40	8	0.5 (EOH)	Sly Fox Resource
DGAC2212	9	17	8	1.9	Sly Fox Resource
	21	30	9	1.1 (EOH)	
includes	21	28	7	1.4	
DGAC2213	8	9	1	0.70	Sly Fox Resource
	15	30	15	1.0 (EOH)	
DGAC2215	21	22	1	1.5	Sly Fox Resource
DGAC2216	9	12	3	1.3	Sly Fox Resource
	17	25	8	2.0 (EOH)	
DGAC2217	1	25	24	0.9(EOH)	Sly Fox Resource
includes	17	25	8	1.4 (EOH)	
DGAC2218	2	11	9	0.81	Sly Fox Resource
	16	24	8	1.5	
DGAC2219	15	42	27	1.6	Sly Fox Resource
includes	25	34	9	3.6	
DGDH019	3	5	2	1.2	Sly Fox Geotech DDH
DGDH020	161	166	5	0.7	Sly Fox Geotech DDH

Table 4: Sly Fox Aircore and Diamond Drill Hole Locations

Deposit	Hole No	Depth (m)	GDA EAST	GDA NORTH	RL	Dip	Azimuth
Sly Fox	DGAC2205	50	525997.4	6918976	431	-60	225
Sly Fox	DGAC2206	40	526024.1	6918929	431	-90	0
Sly Fox	DGAC2207	40	526030.2	6918936	431	-90	0
Sly Fox	DGAC2208	40	526037.5	6918943	431	-90	0
Sly Fox	DGAC2209	40	526044.4	6918950	431	-90	0
Sly Fox	DGAC2210	30	526060.3	6918896	431	-90	0
Sly Fox	DGAC2211	30	526066.9	6918904	431	-90	0
Sly Fox	DGAC2212	30	526073.6	6918911	431	-90	0
Sly Fox	DGAC2213	30	526081	6918919	431	-90	0
Sly Fox	DGAC2214	25	526098.1	6918861	431	-90	0
Sly Fox	DGAC2215	25	526105.3	6918868	431	-90	0
Sly Fox	DGAC2216	25	526112.2	6918876	431	-90	0
Sly Fox	DGAC2217	25	526118.4	6918882	431	-90	0
Sly Fox	DGAC2218	46	526145.9	6918840	431	-60	225
Sly Fox	DGAC2219	60	526155.9	6918781	431	-60	45
Sly Fox	DGAC2220	24	526159.6	6918721	431	-60	225
Sly Fox	DGAC2221	27	526188.2	6918675	431	-60	225
Sly Fox	DGAC2222	31	526319.4	6918589	431	-60	225
Sly Fox	DGAC2223	32	526584.6	6918295	431	-60	225
Sly Fox	DGAC2224	30	526579.5	6918289	431	-60	225
Sly Fox	DGDH019	130.13	526075.6	6918912.7	431	-60	225
Sly Fox	DGDH020	258.22	526205.8	6918904.1	431	-60	225

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 **2.3 million ounces of contained gold on granted Mining Leases**:

DALGARANGA:

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 **31.1 Mt @ 1.3 g/t Au for 1,320,000 ounces** of contained gold (Table 2). The Dalgara project has a **Proved and Probable Ore Reserve of 581,000 ounces of gold** (Table 5). The Ore Reserves are included in the Mineral Resource.

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 2.5 Mtpa processing facility resulting in production of around 100,000 ozpa 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 5 – Breakdown of Material within the Gilbeys and Golden Wings Mine Designs

Deposit	Proved Reserve		Probable Reserve		Inferred Resources		Total		
	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Ounces
Gilbeys	2.9	1.36	10.1	1.21	0.7	1.4	13.0	1.24	553,000
Golden Wings			1.3	1.52	0.2	1.6	1.5	1.5	70,000
Total	2.9	1.36	11.4	1.24	0.9	1.5	15.1	1.28	623,000

Totals may not add due to rounding

GLENBURGH:

The Glenburgh Project in the Gascoyne region of Western Australia, has a Measured, Indicated and Inferred resource of: **21.3Mt @ 1.5 g/t Au for 1.0 million oz gold** from several prospects within a 20km long shear zone (see Table 6)

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 4.9 Mt @ 2.0 g/t for 316,000 oz (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 6: Glenburgh Deposits - Area Summary

2014 Mineral Resource Estimate (0.5 g/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 7). 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 7: Egerton Project: Hibernian Deposit Mineral Resource (2.0 g/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 developing the 100% owned low capex, high margin Dalgaranga Gold Project which is on schedule to be in production late in the second quarter of 2018, while continuing to evaluate the near term 100% owned Glenburgh Gold deposits to delineate meaningful increases in the resource base and progress project permitting. Exploration is also continuing at the 100% owned 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

JORC Code 2012 Table 1

The following extract from the JORC Code 2012 Table 1 is provided for compliance with the Code requirements for the reporting of Mineral Resources:

'JORC Code 2012 Table 1' Section 1 Sampling Techniques and Data

(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. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - 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 1m samples from which 3kg was pulverised to produce a 30g 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.	- The deposit has been drilled using Air Core (AC) and Reverse Circulation (RC) drilling conducted by GCY since October 2016. The majority of holes are on a 50m grid. The majority of drill holes have a dip of -60° towards the local grid south. - RC drilling used a nominal 5½ inch diameter face sampling hammer. 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. RC drilling was used to obtain 1m samples which were split by either cone or riffle splitter at the rig to produce a 2.5to 4kg sample. In some cases a 4m composite sample of approximately 3to 5kg was collected from the top portion of the holes considered unlikely to host significant mineralisation. In addition, GCY notes that there were some difficulties in obtaining equally split sample weights from the splitter in the oxide zone due to the 'sticky clay' material. Efforts were made to ensure all sample weights were between 2.5 to 4kg.
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 5½ inch diameter face sampling hammer. AC drilling used a conventional 3½ inch face sampling blade to refusal or a 4½ inch face sampling hammer to a nominal depth.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - 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.	- RC and AC sample recovery was visually assessed and recorded where significantly reduced. Very little sample loss was noted. - 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. - Sample recoveries are generally high. No significant sample loss was 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 was noted.
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. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	- GCY RC and AC chips are geologically logged at 1m intervals and to geological boundaries respectively. RC chip trays and end of hole chips from AC drilling have been stored for future reference. - RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining. - All drill holes were logged in full.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected,	- 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 riffle split or speared. - To 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 75µm. - Field QAQC procedures included the insertion of 4% certified reference 'standards' and 2% field duplicates for RC and AC drilling. - Field duplicates were collected during RC and AC drilling. Further sampling (lab umpire

Criteria	JORC Code explanation	Commentary
	including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	assays) will be conducted if it is considered necessary. A sample size of between 2.5 and 4 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. - 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. - 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.	- Samples were submitted to Minanalytical Laboratory in Perth for analysis. Once dried and pulverised, RC and diamond samples were analysed using a 50g charge lead collection Fire Assay with AAS finish. This is an industry standard for gold analysis. AC samples were analysed with an aqua regia digest and ICP-MS finish. - No geophysical tools have been used at Sly Fox. - 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 results also demonstrates an acceptable level of precision and accuracy.
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	- Significant intersections were visually field verified by company geologists. - No twinned holes have been drilled to date by GCY, although infill drilling by has confirmed mineralisation thickness and tenor. Q-Q analysis was completed by RPM comparing AC assays with RC assays within Domain 71. The results indicate that there is some moderate bias present between the AC drilling when compared with the RC drilling, whereby the RC samples have generally higher grade than the AC samples. This is a conservative result and supports the inclusion of the AC data for the Sly Fox estimate. - 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. - Assay values that were below detection limit were adjusted to equal half of the detection limit value.
Location of data points	- 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. - Specification of the grid system used. - Quality and adequacy of topographic control.	- All drill hole collars were surveyed in the MGA94 Zone 50 grid. RC drill collars have been surveyed by DGPS equipment. The hole collars were transformed to Gilbeys local grid. 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. - The grid system is MGA94 Zone 50, then the collars were converted to the Gilbeys local grid. - An aerial topographic survey was flown in 2016. A 5m resolution was used for Mineral Resource estimation and is considered appropriate.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - 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. - Whether sample compositing has been applied.	- Drilling conducted by GCY is generally on a 50m by 40m drill spacing for mineralisation above the 300mRL. Spacing increases down-dip to approximately 50m by 100m. GCY will assess which portions of the deposit are economic and infill to 50m by 40m in those areas. - 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. - 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 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. - 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	- Drilling sections are orientated perpendicular to the strike of the mineralised host rocks at Sly Fox, which is towards the south. The drilling is angled at -60° which is approximately perpendicular to the dip of the stratigraphy. - No orientation based sampling bias has been identified in the data

Criteria	JORC Code explanation	Commentary
	reported if material.	
Sample security	The measures taken to ensure sample security.	Chain of custody is managed by GCY. For GCY drilling up until 2016, samples were delivered daily to the Toll depot in Mt Magnet by GCY personnel. Toll delivered the samples directly to Minanalytical Laboratory in Perth. In some cases company personnel delivered the samples directly to the laboratory. For the 2017 program, GCY delivered samples twice per week to Mt Magnet where they were then transported by McMahon-Burnett Transport to Minanalytical Laboratory in Perth.
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 GCY for validation.

‘JORC Code 2012 Table 1’ Section 2 Reporting of Exploration Results

(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. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	- The Dalgaranga Project is situated on tenement number M59/749. GCY has a whole 100% interest in the tenement. - The tenement is in good standing and no known impediments exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The tenement area 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 within the Archean Dalgaranga Greenstone Belt in the Murchison Province of Western Australia. Gilbeys gold mineralisation is associated with quartz-pyrite-carbonate veins within a sheared porphyry-shale package. 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. The Sly Fox deposit is located approximately 500m southeast of the Gilbeys Extension mineralisation, on the eastern limb of a southerly plunging anticline, within a dextral ductile shear zone. Gold mineralisation is associated with silica-sericite-pyrite altered biotite-carbonate schists and minor black shale zones. Strong weathering/oxidation occurs up to 100m below the surface.
Drill hole information	- A summary of all information material to the under-standing 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.	- All exploration results have previously been reported by GCY between 2016 and 2017. - All information has been included in the appendices. No drill hole information has been excluded.
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. - 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. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	- All reported assays have been length weighted if appropriate. No top cuts have been applied. A nominal 0.3ppm Au lower cut off has been applied. - 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. Metal equivalent values have not been used.

Criteria	JORC Code explanation	Commentary
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 (e.g. 'down hole length, true width not known').	Most drill holes are angled so that intersections are orthogonal to the expected orientation of mineralisation. It is interpreted that true width is approximately 70-100% of down hole intersections.
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.	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	- 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. - Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	- All GCY RC hole collars were surveyed in MGA94 Zone 50 grid using differential GPS. GCY holes were down-hole surveyed with multi-shot tools. - Results from all holes where assays have been received are included in this announcement.
Other substantive exploration data	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.	All interpretations for Golden Wings mineralisation are consistent with observations made and information gained during infill drilling.
Further work	- The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	- Golden Wings is at the project development stage. Further infill drilling will be completed for grade control purposes - Refer to diagrams in the body of text within the Mineral Resource report.

‘JORC Code 2012 Table 1’ Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in the preceding section also apply to this section).

Criteria	JORC Code explanation	Commentary
Database integrity	<i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i> <i>Data validation procedures used.</i>	- Geological and field data is collected using Field Marshall software on tablet computers. Historical drilling data has been captured from historical drill logs. - The data is verified by company geologists before the data is sent to Mitchell River Group for further validation and compilation into a SQL database server. Historic data has been verified by checking historical reports on the project.
Site visits	<i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i>	A site visit by the Competent Person for Mineral Resources was conducted in November 2015. The Gilbeys deposit area, drill chips, outcrop, drill collars and the pit were all inspected. The site visit concluded no significant issues were identified with regards to GCY data collection.
Geological interpretation	<i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i> <i>Nature of the data used and of any assumptions made.</i> <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i> <i>The use of geology in guiding and controlling Mineral Resource estimation.</i> <i>The factors affecting continuity both of grade and geology.</i>	- The confidence in the geological interpretation is considered to be excellent and is based on infill drilling. - Geochemistry and geological logging has been used to assist identification of lithology and mineralisation. - The deposit consists of steeply north dipping lodes. Infill drilling has supported and refined the model and the current interpretation is considered robust. - Infill drilling has confirmed geological and grade continuity.
Dimensions	<i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>	The Sly Fox Mineral Resource area extends over a strike length of 270m (from 10,450mE – 10,720mE) and includes the 230m vertical interval from 420mRL to 190mRL.
Estimation and modelling	<i>The nature and appropriateness of the estimation technique(s) applied and key assumptions,</i>	Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to

Criteria	JORC Code explanation	Commentary
techniques	including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Sly Fox Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 50m down-dip beyond the last drill holes on section. This was equivalent to approximately one drill hole spacing in the this portion of the deposit and classified as Inferred Mineral Resource. Extrapolation was generally half drill hole spacing between drill holes. • No historical mining has occurred at Sly Fox, therefore reconciliation could not be conducted. • No recovery of by-products is anticipated. • Only Au was interpolated into the block model. There are no known deleterious elements within the deposits. • The parent block dimensions used were 5m NS by 12.5m EW by 5m vertical with sub-cells of 1.25m by 3.125m by 1.25m. The parent block size was selected to align with the Gilbeys block size of 12.5m along strike, while dimensions in other directions were selected to provide sufficient resolution to the block model in the across-strike and down-dip direction. • An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Three passes were used. The first pass had a range of 50m, with a minimum of 10samples. For the second pass, the range was 100m, with a minimum of 6samples. For the third pass, the range was extended to 250m, with a minimum of 2 samples. A maximum of 20 samples was used for all three passes. A maximum of 6samples per hole was used in the interpolation. • No assumptions were made on selective mining units. • Only Au assay data was available, therefore correlation analysis was not possible. • The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from four lodes. After review of the deposit statistics, no high grade cuts were deemed necessary. • Validation of the model included detailed comparison of composite grades and block grades by easting and elevation. Validation plots showed reasonable correlation between the composite grades and the block model grades.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• The Statement of Mineral Resources has been constrained by the mineralisation solids and reported above a cut-off grade of 0.5 g/t Au. The cut-off grade was calculated based on parameters derived from the current Feasibility Study. An Ore Reserve and detailed schedule is in progress. An open pit mining method is proposed for the Sly Fox deposit. • RPM notes that the cut-off grade was calculated to report the Mineral Resource contained within to demonstrate reasonable prospects for eventual economic extraction and highlights that the calculations do not constitute a detailed mining study, which is required to be completed to confirm economic viability. It is further noted that in the development of the Project, that capital expenditure is required and is not included in the mining cost assumed. RPM has utilised estimated costs and recoveries along with the prices noted above in determining the appropriate cut-off grade. Given the above analysis, RPM considers the Mineral Resource demonstrates reasonable prospects for eventual economic extraction, however highlights that additional studies is required to confirm economic viability.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and	• RPM has assumed that the deposit could potentially be mined using open pit mining techniques. Open pit mining has previously occurred at the adjacent Gilbeys deposit. No assumptions have been made for mining dilution or mining widths. It is assumed that mining dilution and ore loss will be incorporated into any Ore Reserve estimated from this Mineral

Criteria	JORC Code explanation	Commentary
	<i>parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	Resource.
Metallurgical factors or assumptions	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	Metallurgical test work was conducted in 2017 on samples obtained from RC drilling, from oxide and fresh material at the Sly Fox deposit. The samples were submitted to the ALS Laboratory in Perth for gravity separation/cyanidation leaching to establish gold extraction characteristics. Results indicate that recoveries ranging from 89 to 98% are achievable for the Sly Fox mineralisation.
Environmental factors or assumptions	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	Historical mining has occurred at the Gilbeys deposit. Existing waste dumps and a tailings storage facility lie in close proximity to the Gilbeys deposit. A level 1 flora and fauna survey has been undertaken at the nearby Golden Wings prospect. This confirmed that there are no environmental impediments to development. GCY will work to mitigate environmental impacts as a result of any future mining or mineral processing.
Bulk density	<i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i> <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	- There were 27 density measurements collected during historical drilling programs at the adjacent Gilbeys deposit. GCY have recorded an additional 312 measurements from the fresh zone at Gilbeys. These results have been incorporated into the Sly Fox block model. - Density is measured using the water immersion technique. Moisture is accounted for in the measuring process and measurements were separated for lithology, mineralisation and weathering. - It is assumed there are minimal void spaces in the rocks within the Sly Fox deposit. Values applied in the Sly Fox block model are similar to other known bulk densities from similar geological terrains.
Classification	<i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i> <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i>	- The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The sample spacing criteria was based on the ranges of the short-scale (first) structures of the variogram models. The Indicated Mineral Resource was defined within areas of close spaced RC and AC drilling of less than 50m by 40m (approximately 80% of the variogram major direction range), and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 50m by 40m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. - The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. - The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	<i>The results of any audits or reviews of Mineral Resource estimates.</i>	Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	<i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i>	- The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. - The Mineral Resource statement relates to global estimates of tonnes and grade. - No historical mining has occurred at Sly Fox, therefore reconciliation could not be

Criteria	JORC Code explanation	Commentary
	• <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i>	conducted.