

Gascoyne Resources Limited
ABN 57 139 522 900
Notice of Annual General Meeting
and Explanatory Statement

Date of Meeting

Tuesday, 21 November 2017

Time of Meeting

9:00am (WST)

Place of Meeting

The Celtic Club
48 Ord Street
West Perth WA 6005

A Proxy Form is enclosed

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Annual General Meeting please contact the Company Secretary on +61 8 9481 3434.

If you are unable to attend the Annual General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

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Gascoyne Resources Limited

ABN 57 139 522 900

Notice of Annual General Meeting

NOTICE IS GIVEN that an Annual General Meeting of Shareholders of Gascoyne Resources Limited ABN 57 139 522 900 (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 21 November 2017 at 9:00 am (WST) for the purpose of transacting the business referred to in this Notice.

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice. Terms used in the Resolutions contained in this Notice have the meaning given to them in the glossary in the Explanatory Statement.

Agenda

FINANCIAL STATEMENTS AND REPORTS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

To receive and consider the annual financial statements of the Company, together with the Directors' Report and the Auditor's Report for the year ended 30 June 2017, as set out in the Annual Report.

Note: There is no requirement for Shareholders to approve these reports.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding ordinary resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as set out in the Directors' Report for the financial year ended 30 June 2017 be adopted."

Voting exclusion statement: A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or their Closely Related Parties.

However, a person described above may cast a vote on Resolution 1 if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chairman of the Meeting and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chairman to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

RESOLUTION 2 – ELECTION OF MS SALLY-ANNE LAYMAN AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That Ms Sally-Anne Layman, having been appointed as a Director of the Company on 6 June 2017, who ceases to hold office in accordance with clause 17.3 of the Constitution, and being eligible, offers herself for election, be elected as a Director of the Company."

RESOLUTION 3 – RE-ELECTION OF MR GORDON DUNBAR AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That Mr Gordon Dunbar, being a Director of the Company, who retires by rotation in accordance with Listing Rule 14.4 and clause 17.4 of the Company’s Constitution, and being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

RESOLUTION 4 – RE-ELECTION OF MR STANLEY MACDONALD AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That Mr Stanley Macdonald, being a Director of the Company, who retires by rotation in accordance with Listing Rule 14.4 and clause 17.4 of the Company’s Constitution, and being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

RESOLUTION 5 – RE-ELECTION OF MR RODNEY MICHAEL JOYCE AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That Mr Rodney Michael Joyce, being a Director of the Company, who retires by rotation in accordance with Listing Rule 14.4 and clause 17.4 of the Company’s Constitution, and being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

RESOLUTION 6 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

“That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any person who is an Associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Important note: The persons to whom any Equity Securities under the Additional 10% Placement Facility may be issued to are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person’s vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

RESOLUTION 7 – INCREASE IN NON-EXECUTIVE DIRECTORS’ FEES

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 10.17 and clause 17.8 of the Constitution and for all other purposes, the maximum aggregate directors’ fees payable to non-executive directors be increased from \$400,000 per annum to \$450,000 per annum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by a Director and any Associate of a Director. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy must not vote on Resolution 7 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 7; or
- (b) the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 7. Shareholders may also choose to direct the Chairman to vote against Resolution 7 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

By order of the Board



Eva O'Malley
Company Secretary
Gascoyne Resources Limited

Dated: 13 October 2017

The business of the Annual General Meeting affects your Shareholding and your vote is important.

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their Proxy Form in person, by email, by post or by facsimile.

Voting in person or by attorney

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. A certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. Written proof of the representative's appointment (including any authority under which it is signed) must be lodged with, or presented to the Company before the Meeting.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder. The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1 and 7 if the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- A Shareholder who returns their Proxy Form with a direction how to vote, but does not nominate the identity of their proxy, will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned with a direction how to vote, but the nominated proxy (who is not Chairman of the Meeting) does not attend the Meeting or does not vote on the relevant Resolution(s), the Chairman of the Meeting will act in place of the nominated proxy and vote on a poll in accordance with any instructions.
- Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- Proxies must be received by **9:00am (WST) on Sunday 19 November 2017**. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - **In person:** Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009
 - **By mail:** Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909
 - **By facsimile:** +61 8 9262 3723
 - **By scanning this form and emailing it to:**
admin@advancedshare.com.au

Shareholders who are entitled to vote

In accordance with regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Register of Shareholders as at 9:00am (WST) on Sunday, 19 November 2017.

Gascoyne Resources Limited

ABN 61 115 768 986

Explanatory Statement

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Statement.

ANNUAL FINANCIAL STATEMENTS

The Corporations Act requires the annual financial report for the year ended 30 June 2017, together with the Directors' report and the Auditor's report on the financial report (**Annual Financial Statements**) to be received and considered at the Annual General Meeting. The Annual Financial Statements for the period ended 30 June 2017 are included in the Company's Annual Report, a copy of which can be accessed on-line at www.gascoyneresources.com.au or on the ASX website. Alternatively, a hard copy will be made available on request.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company. A representative of the Company's auditor, Grant Thornton Audit Pty Ltd, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements, and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than Tuesday, 14 November 2017.

In person at: Level 1, 41 - 47 Colin Street, West Perth, Western Australia
By post to: PO Box 1449, West Perth WA 6872
By facsimile to: +61 8 9481 0411
By email to: cosec@gascoyneresources.com.au

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

Background

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its Remuneration Report. The Remuneration Report is a distinct section of the Directors' Report which deals with the remuneration of Directors and executives of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's 30 June 2017 Annual Report. The Annual Report is available on the Company's website at www.gascoyneresources.com.au.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2017.

The Chairman of the Annual General Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

Regulatory Requirements

Shareholders are entitled to vote on the question as to whether the Remuneration Report is to be adopted. However, the vote on this resolution is advisory only and doesn't bind the Board or the Company. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% "no" vote.

Under the Corporations Act, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than any Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Company's Remuneration Report did not receive a "no" vote of 25% or more at the Company's previous annual general meeting held on 24 November 2016. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

RESOLUTION 2 – RE-ELECTION OF MS SALLY-ANNE LAYMAN

Background

On 6 June 2017 Ms Sally-Anne Layman was appointed as a Director by the Board as an additional director. Clause 17.3(b) of the Constitution and Listing Rule 14.4 requires that any Director appointed by the Board, either to fill a casual vacancy or as an addition to the Board, must retire at the next general meeting following his or her appointment, but is eligible for election at that general meeting. Ms Sally-Anne Layman therefore retires at the forthcoming annual general meeting, and being eligible, offers herself for election at the Meeting.

Further details about Ms Sally-Anne Layman are set out in the Company's 30 June 2017 Annual Report which is available at www.gascoyneresources.com.au.

Board Recommendation

The Directors (other than Ms Sally-Anne Layman) unanimously recommend that Shareholders vote in favour of Resolution 2.

RESOLUTIONS 3, 4 AND 5 – RE-ELECTION OF MR GORDON DUNBAR, MR STANLEY MACDONALD AND MR RODNEY MICHAEL JOYCE

Background

In accordance with Listing Rule 14.5 and clause 17.4 of the Company's Constitution, at every annual general meeting an election of Directors must take place. Listing Rule 14.4 and clause 17.4 of the Company's Constitution prevent a Director from holding office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

The Directors to retire are those Directors who have been in office for 3 years since their appointment. For this reason, each of Mr Gordon Dunbar, Mr Stanley Macdonald and Mr Rodney Michael Joyce retire by way of rotation and, being eligible, each offers himself for re-election as a Director.

Further details about each of Mr Gordon Dunbar, Mr Stanley Macdonald and Mr Rodney Michael Joyce are set out in the Company's 30 June 2017 Annual Report which is available at www.gascoyneresources.com.au.

Board Recommendation

The Directors (other than Mr Gordon Dunbar) unanimously recommend that Shareholders vote in favour of Resolution 3.

The Directors (other than Mr Stanley Macdonald) unanimously recommend that Shareholders vote in favour of Resolution 4.

The Directors (other than Mr Rodney Michael Joyce) unanimously recommend that Shareholders vote in favour of Resolution 5.

RESOLUTION 6 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

Background

Listing Rule 7.1A enables an eligible entity to issue Equity Securities of up to 10% of its issued share capital over a 12 month period following the entity's annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by a special resolution (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's annual general meeting. The Company has a market capitalisation of approximately \$181 million as at the date of this Notice and is an eligible entity as at the time of this Notice and is expected to be an eligible entity as at the time of the Meeting.

Resolution 6 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility throughout the 12 months after the Annual General Meeting. The effect of Resolution 6 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the period set out below. Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the acquisition of new assets and investments (should suitable assets and/or investments be found), continued exploration and development expenditure on the Company's current assets and/or general working capital.

Regulatory Requirements

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the Company has quoted Shares on issue.

Based on the number of Shares on issue at the date of this Notice, the Company has 377,175,677 Shares on issue and therefore, subject to Shareholders approving Resolution 6, 37,717,567 Equity Securities may be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

$$(A \times D) - E$$

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (a) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid Shares that became fully paid in the 12 months;
- (c) plus the number of fully paid Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the Company's 15% placement capacity without Shareholder approval; and
- (d) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

Shareholders will be kept fully informed of any issue of Equity Securities under the Additional 10% Placement Capacity as the Company will disclose to the market at the time of issue the specific information required by Listing Rule 3.10.5A (such as details of dilution of existing Shareholders) in addition to information required by Listing Rule 7.1A.4, Appendix 3B and any other applicable Listing Rules. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		Issue Price at half the current market price \$0.24	Issue Price at current market price \$0.48	Issue Price at 50% above the current market price \$0.72
Current Variable 'A' 377,175,677 Shares	Shares issued	37,717,567	37,717,567	37,717,567
	Funds raised	\$9,052,216	\$18,104,432	\$27,156,648
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 565,763,516 Shares	Shares issued	56,576,351	56,576,351	56,576,351
	Funds raised	\$13,578,324	\$27,156,648	\$40,734,972
	Dilution	10%	10%	10%
100% increase in current variable 'A' 754,351,354 Shares	Shares issued	75,435,135	75,435,135	75,435,135
	Funds raised	\$18,104,432	\$36,208,864	\$54,313,297
	Dilution	10%	10%	10%

Note: The table above assumes:

- (a) The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Capacity.
- (b) No Options are exercised before the date of the issue of the Equity Securities.
- (c) The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- (e) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

Specific information required by Listing Rule 7.3A

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

Minimum Issue Price	The Equity Securities will be issued under the Additional 10% Placement Facility at an issue price of not less than 75% of the VWAP for securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before: (a) the date on which the price at which the Equity Securities are to be issued is agreed; or (b) if the Equity Securities are not issued within 5 Trading Days of the date on which the price at which the Equity Securities are to be issued is agreed, the date on which the Equity Securities are issued.
Potential risk of economic and voting dilution	If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, Shareholders who do not participate (either because they are not invited to participate or because they elect not to participate) in any such issue, will have their existing interest and voting power in the Company diluted. There is also a risk that: (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

	(b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or (c) the Equity Securities may be issued for non-cash consideration, which may have an effect on the amount of funds raised by the issue of the Equity Securities under the Additional 10% Placement Capacity. The table above on page 4 of the Explanatory Statement shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Annual General Meeting. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities. The table shows: (a) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%; (b) examples of where the issue price of ordinary securities is the current market price as at close of trade on 12 October 2017, being \$0.48, (current market price), where the issue price is halved, and where it is doubled; and (c) that the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
Timing of potential issues	If Shareholders approve Resolution 6, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur: (i) the date that is 12 months after the date of the Meeting; and (ii) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), (the Additional 10% Placement Period). The Company will only issue Equity Securities under the Additional 10% Placement Facility during the Additional 10% Placement Period.
Purpose of potential issues	The Company may seek to issue the Equity Securities for the following purposes: (i) non-cash consideration, the Company intends to use the funds for the acquisition of new assets and investments (should suitable assets and/or investments be found). In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition, should suitable assets and/or investments be found), continued exploration and development expenditure on the Company's current assets and/or general working capital. The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A.

Allocation policy	The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the persons to whom Equity Securities will be issued to will be determined on a case-by-case basis having regard to the factors including but not limited to the following: (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate; (ii) the effect of the issue of the Equity Securities on the control of the Company; (iii) the financial situation and solvency of the Company; and (iv) advice from corporate, financial and broking advisers (if applicable). The persons to whom Equity Securities will be issued to under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the persons to whom Equity Securities will be issued to under the Additional 10% Placement Facility will be the vendors of the new resources assets or investments.
Previous issues of Equity Securities	The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2015 Annual General Meeting held on 23 November 2015. In the 12 months preceding the date of the Annual General Meeting, the Company has issued 128,875,100 Equity Securities which represents 50% of the total number of Equity Securities on issue at the commencement of that 12 month period. Details of the Equity Securities issued in the 12 month period are outlined in Annexure A to this Notice.
Voting exclusion statement	A voting exclusion statement for Resolution 6 is included in the Notice. At the date of this Notice, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed persons to whom any Equity Securities may be issued to under the Additional 10% Placement Facility are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes. Therefore, no existing Shareholder's votes will therefore be excluded under the voting exclusion statement in the Notice.

Board recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 6.

RESOLUTION 7 – INCREASE TO NON-EXECUTIVE DIRECTORS’ FEES

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 10.17 and clause 17.8 of the current Constitution and for all other purposes, for the Company to be authorised to increase the aggregate amount of fees paid to its non-executive Directors by \$50,000 from \$400,000 per annum to an aggregate amount of \$450,000 per annum.

The Board considers it is reasonable and appropriate at this time to seek an increase in the remuneration pool for non-executive Directors for the following reasons:

- Increased complexity of the Company’s business as a result of the development of its Dalgaranga Gold Project
- Increased work load resulting from the above.

It is not intended to fully utilise the increased aggregate fees in the immediate future.

In accordance with Listing Rule 10.17, the following information is provided to Shareholders:

The amount of the increase	\$50,000 per annum
The maximum aggregate amount of directors’ fees that may be paid to all of the Company’s non-executive directors	\$450,000 per annum
Details of any securities issued to a non-executive director under Listing Rule 10.11 or 10.14 with Shareholder approval in the preceding 3 years	Not applicable as no securities were issued to non-executive directors.
A voting exclusion statement	A voting exclusion is included in the Notice in relation to Resolution 7.

Glossary

In this Notice and Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

\$	Australian dollars.
Additional 10% Placement Capacity	has the meaning given to that term on page 3 of the Explanatory Statement.
Annexure	an annexure to this Notice.
Annual Report	the Company's annual report for the financial year ended 30 June 2017, as released to the ASX on 28 September 2017
Associate	has the meaning given to that term in the Listing Rules.
ASX	ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	the board of Directors.
Chairman	the chairman of the Annual General Meeting.
Closely Related Party	has the meaning given to that term in the Corporations Act.
Company or Gascoyne	Gascoyne Resources Limited ACN 139 522 900.
Constitution	constitution of the Company, as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth).
Director	director of the Company.
Director's Report	the annual directors' report of the Company set out in the Annual Report.
Equity Securities	has the meaning given to that term in the Listing Rules.
Explanatory Statement	the explanatory statement that accompanies this Notice.
Key Management Personnel	has the meaning given to that term in the Listing Rules.
Listing Rules	listing rules of the ASX.
Meeting or Annual General Meeting	the annual general meeting convened by this Notice.
Notice or Notice of Annual General Meeting or Notice of Meeting	this Notice of Annual General Meeting.
Option	an option to subscribe for a Share.
Proxy Form	the proxy form enclosed with this Notice.
Remuneration Report	the Company's remuneration report for the year ended 30 June 2017 set out in the Annual Report.
Resolution	a resolution contained in this Notice.
Restricted Voter	Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Share	fully paid ordinary share in the capital of the Company.
Shareholder	holder of a Share in the Company.
Spill Resolution	has the meaning given to that term on page 2 of the Explanatory Statement.
Spill Meeting	has the meaning given to that term on page 2 of the Explanatory Statement.
Trading Day	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
VWAP	volume weighted average market price as defined in the Listing Rules.
WST	Australian Western Standard Time.

Annexure A – Details of Equity Securities issued in the 12-months before the Annual General Meeting

Issue Date	Number	Type	Summary of Terms	Names of persons who received securities or basis on which those persons were determined	Issue Price	Discount to market price at issue date (if any)	Amount of cash consideration, amount of cash spent, use of cash and intended use for remaining amount of cash (if any)	Non-cash consideration and current market value of non-cash consideration
16 December 2016	7,850,000	Options	Options exercisable at \$0.55 each on or before 16 December 2019 issued under the Company's Employee Share Option Plan approved by Shareholders at the Company's 2016 annual general meeting on 24 November 2016	Employees under the Company's Employee Share Option Plan.	\$0	Not applicable	\$0	No funds were raised by the issue of the Options. The Options were issued to employees of the Company as an incentive. The current value of the options is \$0.3844 each option (\$3,017,540 in total) based on a Black Scholes model valuation conducted on 12 October 2017.
28 December 2016	11,000,000	Shares	The Shares are rank equally with all other ordinary fully paid shares issued in the capital of the Company except they are subject to a 12-month voluntary escrow period which commenced on 23 December 2016. At the end of the escrow period, the Shares will rank equally with all other listed ordinary fully paid shares.	Jaime McDowell, the vendor of the 20% interest in the Dalgarranga Gold Project	\$0.385	13% The market price when the shares were issued was \$0.44.	\$0	The Shares were issued for nil cash consideration, as they were issued as part consideration for the acquisition of a 20% interest in the Dalgarranga Gold Project (DGP). The current value of the Shares is \$5,280,000 based on the latest closing market price of Shares as at the date of this Notice.
24 February 2017	74,900,000	Shares	Shares rank equally with all other listed fully paid ordinary shares.	Domestic and international institutional and professional investors who participated in the February 2017 placement.	\$0.50	8% The market price when the Shares were issued was \$0.545.	\$37,450,000 \$27,198,000 of these funds have been spent on the development of the Company's DGP. \$10,252,000 remains unspent and will be used to fund the development of the DGP exploration activities and general working capital requirements of the Company.	Not applicable

Annexure A – Details of Equity Securities issued in the 12-months before the Annual General Meeting (continued)

Issue Date	Number	Type	Summary of Terms	Names of persons who received securities or basis on which those persons were determined	Issue Price	Discount to market price at issue date (if any)	Amount of cash consideration, amount of cash spent, use of cash and intended use for remaining amount of cash (if any)	Non-cash consideration and current market value of non-cash consideration
16 March 2017	25,100,000	Shares	Shares rank equally with all other listed fully paid ordinary shares.	Domestic and international institutional and professional investors	\$0.50	7% The market trading price when the shares were issued was \$0.54.	\$12,550,000 \$12,550,000 of these funds remain unspent and is intended to be used to fund the development of the Company's DGP, exploration activities and general working capital requirements of the Company.	Not applicable
22 March 2017	6,810,000	Shares	Shares rank equally with all other listed fully paid ordinary shares.	Existing shareholders who participated in the Company's Share Purchase Plan	\$0.50	7% The market trading price when the shares were issued was \$0.54.	\$3,405,000 \$3,405,000 of these funds remain unspent and is intended to be used to fund the development of the Company's DGP, exploration activities and general working capital requirements of the Company.	Not applicable
30 March 2017	3,215,100	Shares	Shares rank equally with all other listed fully paid ordinary shares.	Institutional and professional investors	\$0.50	No discount The market trading price when the shares were issued was \$0.485.	\$1,607,550 \$1,607,550 of these funds remain unspent and is intended to be used to fund the development of the Company's DGP, exploration activities and general working capital requirements of the Company.	Not applicable

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GASCOYNE RESOURCES LIMITED



ABN 57 139 522 900

CERTIFICATE OF APPOINTMENT OF COMPANY REPRESENTATIVE

Pursuant to Section 250D of the Corporations Act 2001 (Cth)

Security Reference Number (SRN)

--	--	--	--	--	--	--	--	--	--

For issuer sponsored or certificated holdings

Holder Identification Number(HIN)

--	--	--	--	--	--	--	--	--	--

For CHESS holdings

(Insert name of member company)

appoints(*)

Insert name(s) of appointee or appointees or the office of appointee(s))

to act as its representative at

- the annual general meeting of the Gascoyne Resources Limited to be held on Tuesday, 21 November 2017 commencing at 9.00am (WST) and at any adjournments of that annual general meeting

OR (you must strike out one of these two options. See reverse for instructions)

- all meetings of Gascoyne Resources Limited ABN 57 139 522 900

Please state if there are any restrictions on the representative's power – Yes ☐ No ☐

If yes, please describe the
restriction_____

These instructions supersede and have priority over all previous instructions.

Executed by and in accordance
with the company's Constitution
and the Corporations Act 2001 (Cth)

Director/Sole Director & Sole Secretary

Director/Secretary

Dated this _____ day of _____ Year _____

This authority may be sent to the company and/or the registry in advance of the meeting or handed in at the meeting when registering as a company representative. In either case the authority will be retained by the company.

(*) If a company appoints more than one representative, only one representative at the meeting may exercise the body or company's power at any one time.

APPOINTMENT OF A COMPANY REPRESENTATIVE

The Corporations Act 2001 (Cth) provides that a company may appoint a person to act as its representative either at a particular meeting of shareholders or at all meetings of shareholders. A person so authorised is entitled to exercise the same powers on behalf of the company as an individual shareholder unless the company restricts the representative otherwise

The appointment may be made by executing the form printed on the reverse of this notice by either:

- two directors of the company;
- a director and a company secretary; or
- where the company has a single director and company secretary by signing as "sole director and sole secretary".

An authorised representative appointed by a company to attend all meetings of shareholders is entitled to act at meeting of shareholders until such time as the appointment is revoked.

The Certificate of Appointment of a Company Representative can either be lodged with the Company's Share Registry:

By Mail:
Advance Share Registry
PO Box 1156, Nedlands, WA, 6909

In Person:
Advance Share Registry
110 Stirling Highway,
Nedlands, WA, 6009.

Facsimile:
+61 8 9262 3723

LODGE YOUR VOTE ONLINE



ONLINE VOTE

www.advancedshare.com.au/investor-login



MOBILE DEVICE VOTE

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.



VOTING/PROXY FORM

I/We being a Shareholder/s of Gascoyne Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

The Chairman of the Meeting
(mark with an 'X' in box to the left) **OR**

Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Chairman sees fit) at the **Annual General Meeting of Gascoyne Resources Limited to be held in Perth on Tuesday 21 November 2017 at The Celtic Club, 48 Ord Street West Perth, commencing at 9.00am (WST)** and at any adjournment of that Annual General Meeting.

Chairman authorised to exercise proxies on remuneration related matters (Resolutions 1 and 7) If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default, by signing and submitting this form I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of Resolutions 1 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 7 are connected directly or indirectly with the remuneration of a member of Key Management Personnel for Gascoyne Resources Limited, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of all Resolutions If you have appointed the Chairman of the Meeting as your proxy (or the Chairman of the Meeting becomes your proxy by default), and you wish to give the Chairman specific voting directions on an item, you should mark the appropriate box opposite those items below (directing the Chairman to vote for, against, or to abstain from voting).

Appointment of a second proxy (see instructions on next page)

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

VOTING DIRECTIONS

Voting directions to your proxy – please mark ☒ to indicate your directions

Ordinary Business	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report (Non-binding Resolution)	☐	☐	☐	2 Re-election of Ms Sally-Anne Layman as a Director	☐	☐	☐
3 Re-election of Mr Gordon Dunbar as a Director	☐	☐	☐	4 Re-election of Mr Stanley Macdonald as a Director	☐	☐	☐
5 Re-election of Mr Rodney Michael Joyce as a Director	☐	☐	☐	6 Approval of Additional 10% Placement Facility	☐	☐	☐
7 Increase in Non-Executive Directors' Fees	☐	☐	☐				



*If you mark the Abstain box for a Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – This section MUST be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

Email Address



Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint Shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

APPOINTMENT OF A PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Shareholder of the Company.

VOTES ON RESOLUTIONS

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your Shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

If you direct your proxy how to vote validly in accordance with these instructions and your proxy fails to either attend the Meeting or vote on any directed Resolution, the Chairman of the Meeting is taken to have been appointed as the proxy for the purposes of voting on that Resolution at the Meeting and must vote in accordance with your proxy.

VOTING ENTITLEMENTS

In accordance with the Corporations Act, the Company has determined that the Shareholding of each person for the purpose of determining entitlements to attend and vote at the Meeting will be the entitlement of that person set out in the Company's share register **as at 9.00am (WST) on Sunday 19 November 2017**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

VOTING IN PERSON

A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the attached Proxy Form to the Meeting to assist in registering your attendance and number of votes. Please arrive 15 minutes prior to the start of the Meeting to facilitate this registration process.

A Shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with Section 250D of the Corporations Act. The appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the Certificate is enclosed with this Notice of Meeting.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company Secretary on +61 8 9481 3434 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the shareholder must sign.

Joint Holding:

Where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR VOTE

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the Meeting being **no later than 9.00am (WST) on Sunday, 19 November 2017**. Any Proxy Form received after that time will not be valid for the scheduled Meeting.



ONLINE VOTE

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY EMAIL

admin@advancedshare.com.au



BY FAX

+61 8 9262 3723



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033