

January 31st 2018
Australian Securities Exchange Limited
Via Electronic Lodgement

GASCOYNE EXECUTES LONG TERM LNG SUPPLY AGREEMENT

- **Gascoyne has signed a long term LNG supply agreement with EVOL to supply fuel for power generation and the 2.5Mtpa process plant gas requirements.**
- **EVOL is supplying the +1.0 million litre LNG storage facility and the vaporisation equipment required to supply Zenith Pacific's owned 15MW gas fired power station and Gascoyne's 2.5Mtpa CIL gold processing plant**
- **Construction of the power station and fuel storage facility is underway, in line with the scheduled commissioning of the processing plant in May.**

Gascoyne Resources Limited (Gascoyne or the Company) is pleased to announce that it has (through its 100% owned subsidiary GNT Resources) executed a long term LNG fuel supply agreement with EVOL, a fully owned subsidiary of the Wesfarmers group. The locally sourced LNG provides the lowest cost and lowest emissions fuel solution for Dalgara's power generation needs. Another significant advantage is that LNG will be used in the project's 2.5Mtpa gold processing facility to fuel its carbon regeneration kiln, elution boiler and bullion furnace, reducing the cost and complexity of multiple fuel sources within the plant.

Construction of the LNG facilities and Zenith Pacific's 15MW power station has commenced and is on schedule for completion prior to the commissioning of the 2.5Mtpa processing plant which is on track for May this year – in approximately 4 months' time.

Commenting on the execution of the LNG supply agreement, Gascoyne's Managing Director Mike Dunbar said:

"Execution of the long term LNG supply agreement with EVOL provides Dalgara with a low cost, clean, reliable and locally sourced fuel solution. The LNG supply agreement with extension options provides certainty for the project, giving us the ability to grow the project, knowing that there is a long term fuel solution in place."

The choice of gas fuelled generators considerably de-risks the project as it reduces input costs and substantially lowers our exposure to any future escalation in the diesel price for power generation. LNG also provides flexibility to fuel parts of the process plant with LNG, rather than having to source other, more expensive, fuel options for the elution and recovery circuits as well as the carbon regeneration kiln"

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

