

ASX ANNOUNCEMENT

12 December 2022

OUTSTANDING NEW ASSAY RESULTS CONFIRM SCALE AND SIGNIFICANCE OF NEVER NEVER DISCOVERY

High-grade results extend deposit down-plunge ahead of updated Resource scheduled for Q1 2023; Potential Never Never look-alikes identified at Gilbey's

- Significant new results from resource definition drilling at the Never Never Gold Deposit confirm consistent widths and grades, supporting the upcoming Mineral Resource update:
 - 18.54m @ 17.88g/t Au from 319m including 6.0m @ 36.2g/t (DGRC1150-DT);
 - 27.0m @ 8.32g/t Au from 342m including 11.0m @ 13.2g/t (DGRC1151), reinforcing the 12.57m @ 34.5g/t from 397m reported previously in DGDH032;
 - 35m @ 7.67g/t Au from 225m including 10m @ 20.4g/t (DGRC1124-DT); and
 - 31m @ 6.46g/t Au from 263m including 17m @ 10.4g/t (DGRC1147).
- In addition to the Never Never discovery, the Gascoyne geology team has identified a number of potential Never Never “look-alike” structures adjacent to the existing Gilbey's Gold Deposit at Dalgaranga.
- Initial drill-testing of these targets has returned intercepts with good grades and widths, including:
 - 71m @ 2.40g/t from 1m including 30m @ 4.2g/t (DGRC1154);
 - 60m @ 2.35g/t from 141m including 3m @ 14.5g/t (DGRC1173); and
 - 3m @ 38.2g/t from 124m including 1m @ 106.7g/t (DGRC1174).
- An updated Never Never Mineral Resource Estimate, originally scheduled for release in the December 2022 Quarter, will be delayed to early 2023 to allow these assays to be incorporated.

Gascoyne Resources Managing Director Simon Lawson said: “Our recent decision to place the Dalgaranga mining operations on Care and Maintenance was made to preserve the value of what we have – being a near-new 2.5Mtpa processing plant and associated infrastructure, a strong development pipeline and regional portfolio, and the recently discovered Never Never Gold Deposit at Dalgaranga, arguably one of the most exciting new high-grade gold discoveries seen in Australia in recent times.

“Gascoyne is in the unique position of drilling out a shallow high-grade gold discovery right in front of a modern 100%-owned processing plant. We already have a 300-person camp, airstrip and permitted Mining Leases. This now makes us an explorer with an established and growing high-grade inventory requiring limited capital and a very short timeframe to transition back into being a producer.

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“Having effectively removed the risks associated with operating in the current inflationary cost environment and extremely tight labour market, we have the opportunity to recast our investment proposition based around a growing high-grade gold discovery located right next to a processing plant, and the opportunity to establish a long-term mine plan capable of delivering robust returns to our shareholders.”

“As an explorer we have made a very significant high-grade discovery, and we are now growing that discovery. As a developer, we have already built and paid for the process plant and infrastructure. And as a miner, we have the ability to leverage off this unique position and return to the ranks of producers when the time is right.”

“We received approval to mine the Never Never Gold Deposit, ironically just as persistent cost escalation reached a point where we had to make the decision to place the operation into C and M and preserve the value of the ounces in the ground; however, this means we will be extremely well placed for a restart decision sometime in the next 18-24 months.”

“We aren’t afraid to make the hard decisions – the right decisions for our shareholders – to preserve our assets in difficult times, reset and establish a strong mining plan into 2023, and ultimately restart and produce high-margin gold ounces in 2024.”

“Our team, while smaller now, is focused on delivering resource growth in 2023, pursuing high-grade ounces to put in front of our mill and developing a robust 5+ year mine plan.”

Gascoyne Resources Limited (“**Gascoyne**” or “**Company**”) (ASX: GCY) is pleased to advise that it has received exceptional new assay results confirming the scale and significance of the high-grade Never Never Gold Deposit, located on granted Mining Lease M59/749 within its 100%-owned Dalgara Gold Project in Western Australia.

Never Never is a high-grade gold deposit that strikes and plunges in a south-westerly orientation immediately north of the main Gilbey’s open pit at Dalgara. The deposit was discovered while following up wide, high-grade drill intercepts from the earlier Gilbey’s North extension discovery.

Never Never is distinct from the Gilbey’s North discovery due to considerable differences in tenor, thickness of mineralisation, mineralogy, scale, orientation and host structure/rock-type. Most importantly, it is much higher grade than any of the previously defined ore bodies at Dalgara and appears to be far more structural, fold and/or shear-hosted as opposed to the more stratigraphy/shale associated Gilbey’s series of gold deposits.

An initial Mineral Resource Estimate (“**MRE**”) of 79,600 ounces for the Never Never Gold Deposit was released on 8 September 2022.

Since announcing the MRE, Gascoyne has successfully drilled and defined further potential extensions to the resource down-plunge beyond 500m and throughout the central and lower areas of the ore body to improve resource classification. This latest drilling includes several drill-holes with visible gold and the resource extents remain open at depth.

The new assay results reported in this announcement, as shown in the highlights on page 1 (and in Figures 1-5 below) are located down-plunge and below the limits of the initial MRE, as well as within, around and above the initial MRE.

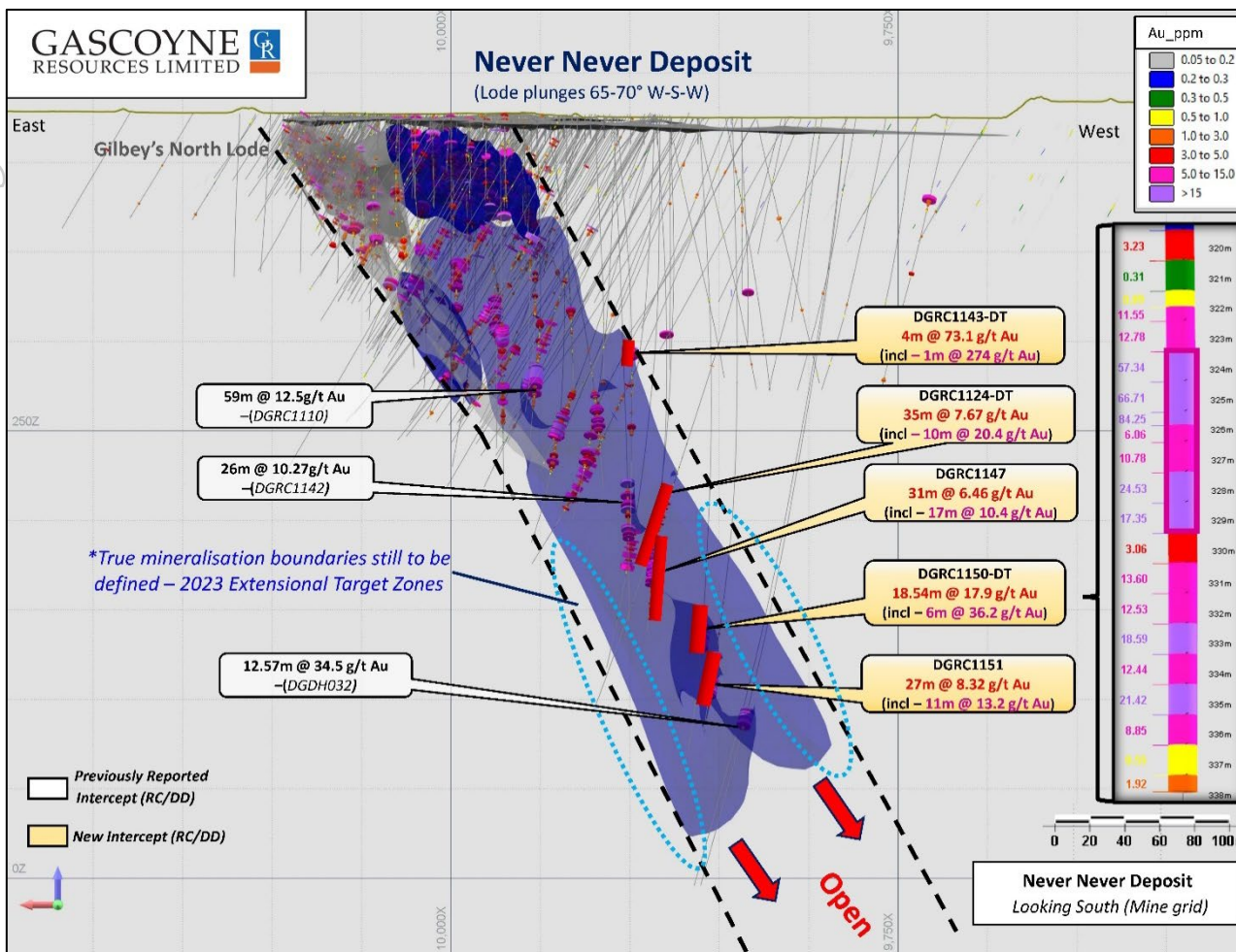


Figure 1: Cross-Section looking south through the Never Never Gold Deposit showing the new resource interpretations and new drill-hole assays being reported in this announcement, with an inset of interval grades from DGR1150-DT on the right side of the image. A number of key previously reported assays are also noted for context. Note: All new assays detailed here are outside the current MRE extents and will be included in the upcoming Never Never MRE update.

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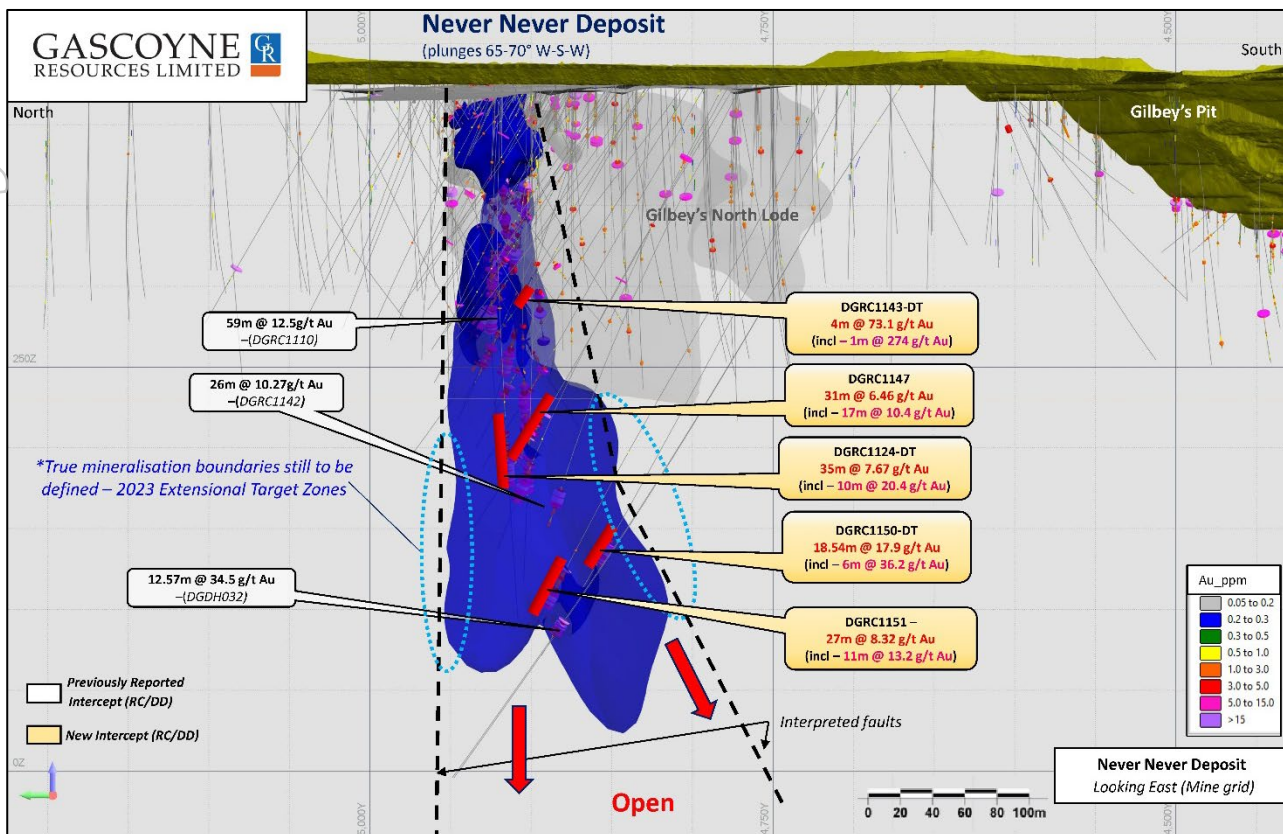


Figure 2: Section view looking east through the Never Never Gold Deposit illustrating recently returned assays showing strong gold mineralisation throughout the central and lower sections of the wireframed interpretation and open down-plunge potential. Note: The Never Never Gold Deposit mineralisation appears to be widening at depth along both the western (Never Never) and southern (Gilbey's) axes.

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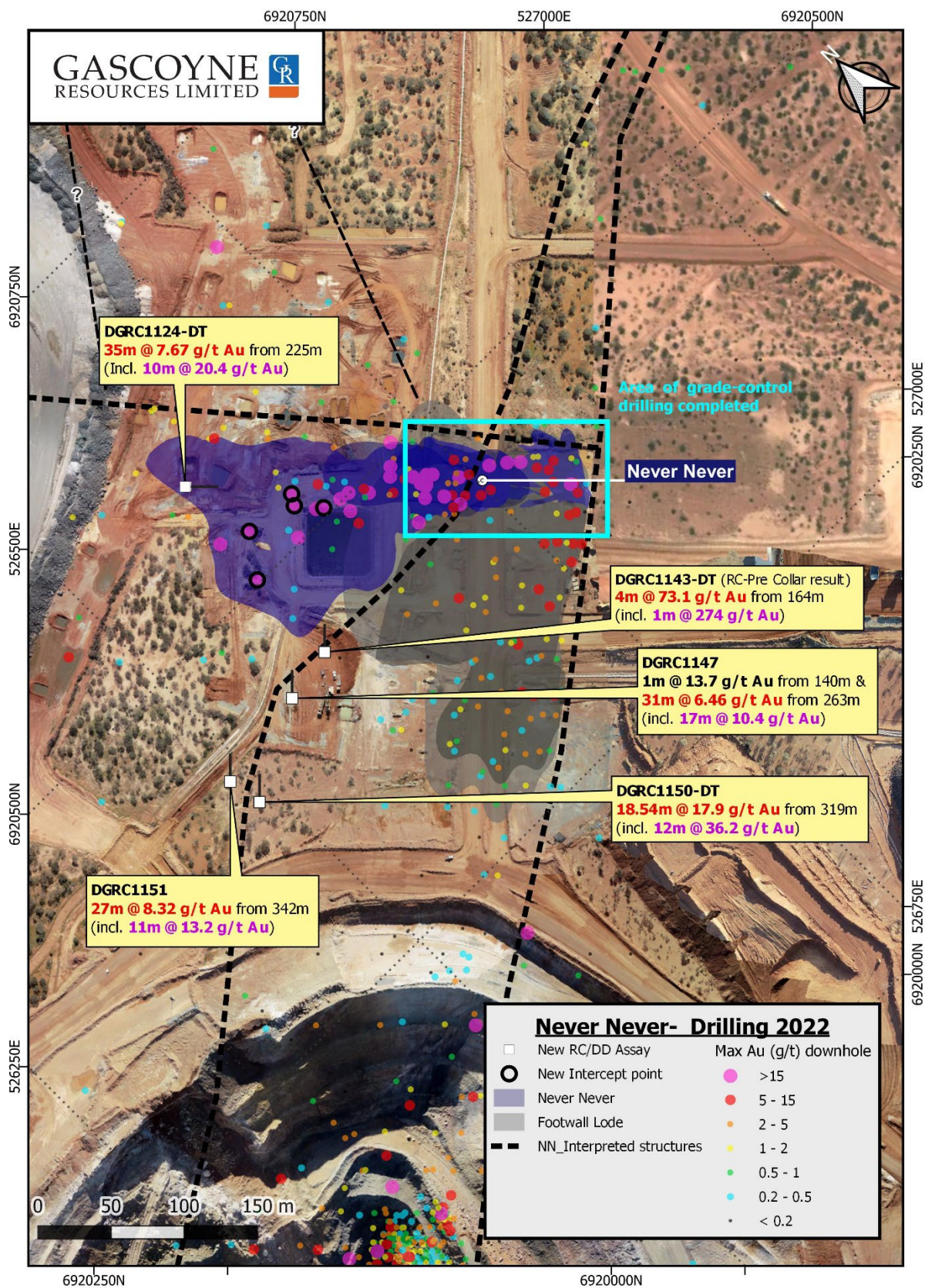


Figure 3: Plan view of east-west Never Never Gold Deposit (dark blue) and north-south Gilbey's North Lode (grey) showing collar locations of results the subject of this announcement.

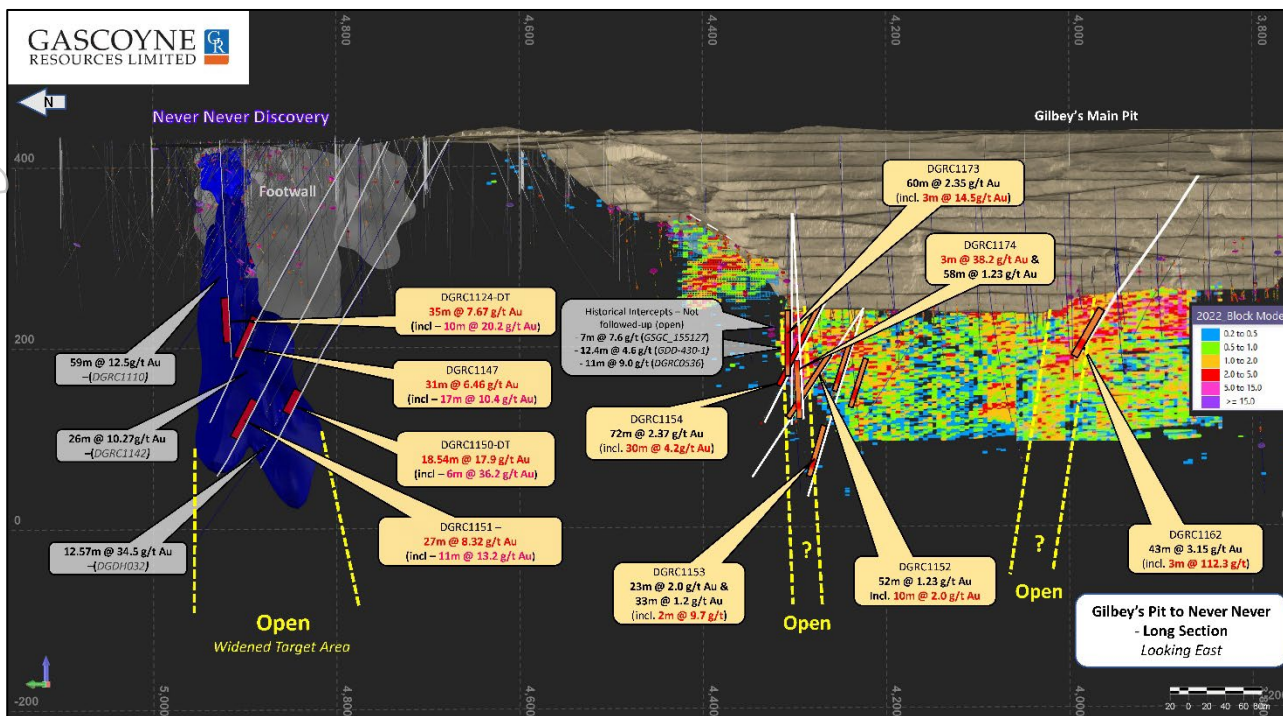
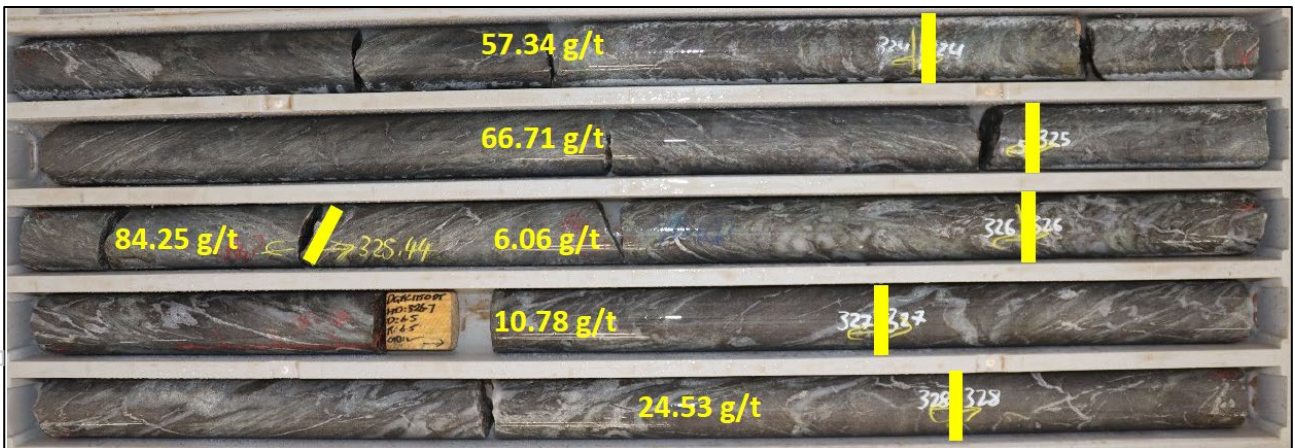


Figure 4: Long-section view looking east through the Gilbey's, Gilbey's North and Never Never Gold Deposits (deposits in order from right to left). Note the yellow "train tracks" illustrate the two main target areas drilled during the initial targeting of Never Never "lookalikes" adjacent to the Gilbey's Pit. The results show elevated grades and widths in both target areas unlike those seen in typical Gilbey's mineralisation and more "Never Never" in orientation (west striking), mineralisation (high silica) and consistently higher grade. Note: the block grades shown beneath Gilbey's Pit represent thick unmined gold mineralisation, open at depth. These areas will be subject to re-estimation during 2023 using more appropriate estimation parameters with an underground mining focus.

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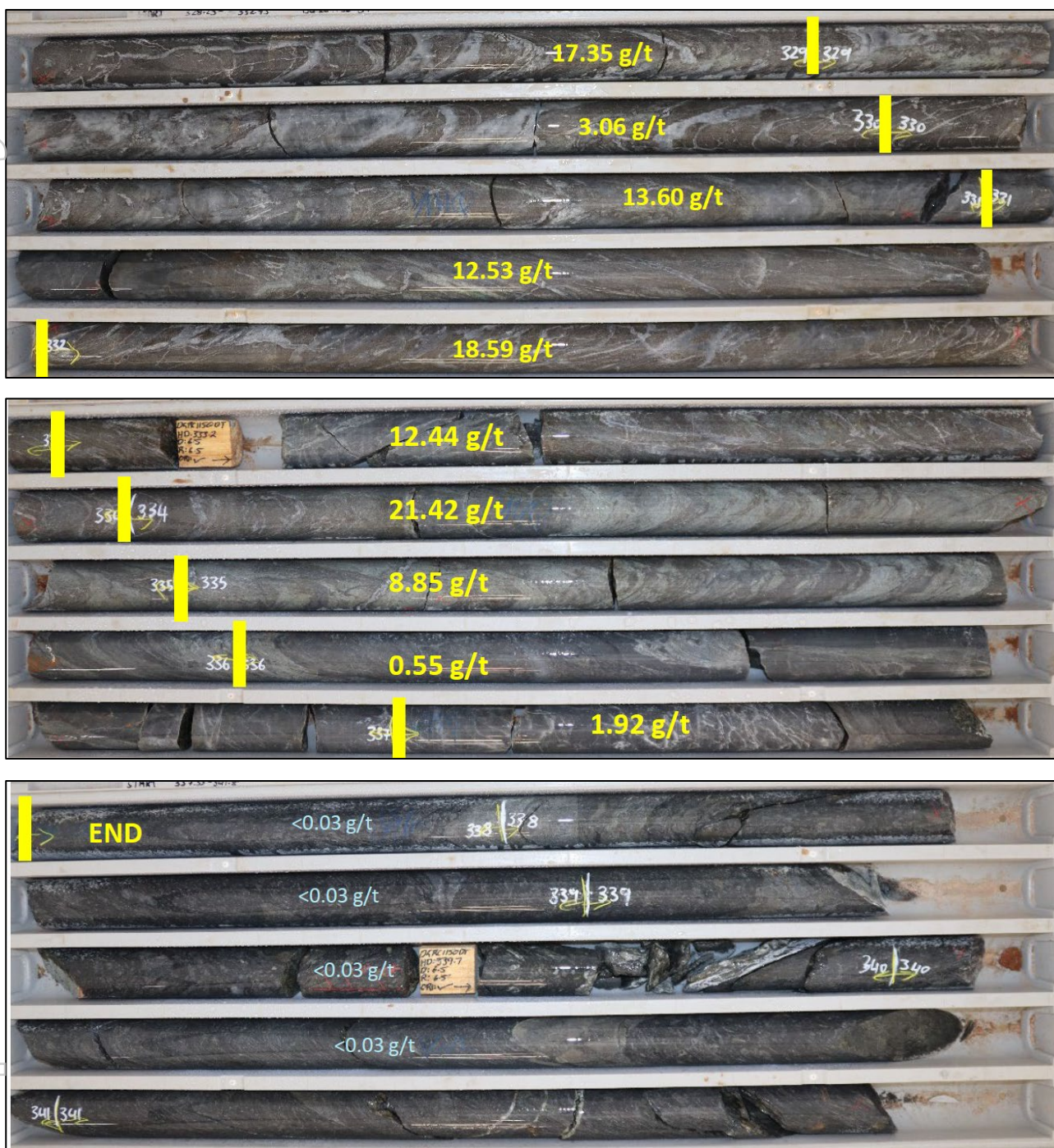


Figure 5: Tray photos of drill-core from DGRC1150-DT (18.54m @ 17.88g/t gold) with overlaid Photon Assay gold grades. Note the heavy silicification and biotite/sericite alteration (pale grey and bronze colouration), with higher grades associated with the more heavily biotitized/sericitized zone (bronze colouration). Strong visual control on mineralisation at Never Never assists greatly in drill design optimisation, interpretation and estimation as well as being invaluable during eventual grade control and mining activities.

Drill-hole Tables

Table 1: Drill-hole Results Table

Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Comments
Never Never Gold Deposit					
DGRC1143-DT	164	168	4	73.1	RC Pre-collar result
Incl.	164	165	1	274	Outside current MRE
	187	188	1	2.69	
	216	222	6	1.84	
DGRC1150-DT	319	337.54	18.54	17.88	Outside current MRE
Incl.	323	329	6	36.2	
DGRC1124-DT	225	260	35	7.67	Outside current MRE
Incl.	246	256	10	20.4	
DGRC1147	263	294	31	6.46	Outside current MRE
Incl.	276	293	17	10.4	
DGRC1151	342	369	27	8.32	Outside current MRE
Incl.	358	369	11	13.2	
Never Never "lookalikes"					
DGRC1154	1	72	71	2.40	Possible "NN lookalike"
Incl.	40	70	30	4.2	
DGRC1173	71	79	8	2.87	
	141	201	60	2.35	Possible "NN lookalike"
Incl.	146	149	3	14.5	
DGRC1174	124	127	3	38.2	New HW position
	124	125	1	106.7	
	167	225	58	1.23	Possible "NN lookalike"
	203	214	11	2.56	Possible "NN lookalike"
DGRC1162	194	204	10	1.7	
	253	296	43	3.15	(using 50 g/t Cut-off)
Incl.	256	259	3	112.2	Possible "NN lookalike"
Incl.	257	258	1	292.6	
Previously reported Never Never Gold Deposit Intercepts					
DGRC1110	138	197	59	12.5	
DGRC1142	274	300	26	10.27	
DGDH032	397.43	410	12.57	34.5	Deepest intercept - VG
Historical Intercepts _ Gilbey's Pit					
DGRC0536	232	243	11	9.0	RC - 2021
GDD-430-1	255.6	268	12.4	4.6	DDH - 1997
GSGC_155127	47	54	7	7.6	RC - 2022

0.5 g/t lower cut-off, maximum 3m internal waste for significant intercepts

Glossary of terms

"NN" = Never Never Gold Deposit

"HW" = Hanging Wall (the overhanging wall to an orebody when mined)

"MRE" = Mineral Resource Estimate

"VG" = Visible Gold

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Table 2: Drill-hole Collar Table

Hole Id	Target	Depth	MGA Easting	MGA Northing	RL (m)	Azi	Dip
DGRC1143-DT	NN	285.8	526593	6920436	426	39	-54
DGRC1150-DT	NN	403	526489	6920394	425	39	-63
DGRC1124-DT	NN	347.7	526607	6920582	425	130	-75
DGRC1147	NN	324	526555	6920429	425	38.5	59
DGRC1151	NN	390	526485	6920418	425	42	-64.9
DGRC1152	Gilbey's	198	526189	6920030	235	14	-50.9
DGRC1153	Gilbey's	198	526188	6920031	235	346.44	-60.49
DGRC1154	Gilbey's	150	526230	6920052	235	18	-54
DGRC1162	Gilbey's	302	525849	6919841	382	86	-45
DGRC1173	Gilbey's	258	526172	6920147	336	121	-65
DGRC1174	Gilbey's	246	526170	6920149	336	121	-75

Glossary of terms

“NN” = Never Never Gold Deposit

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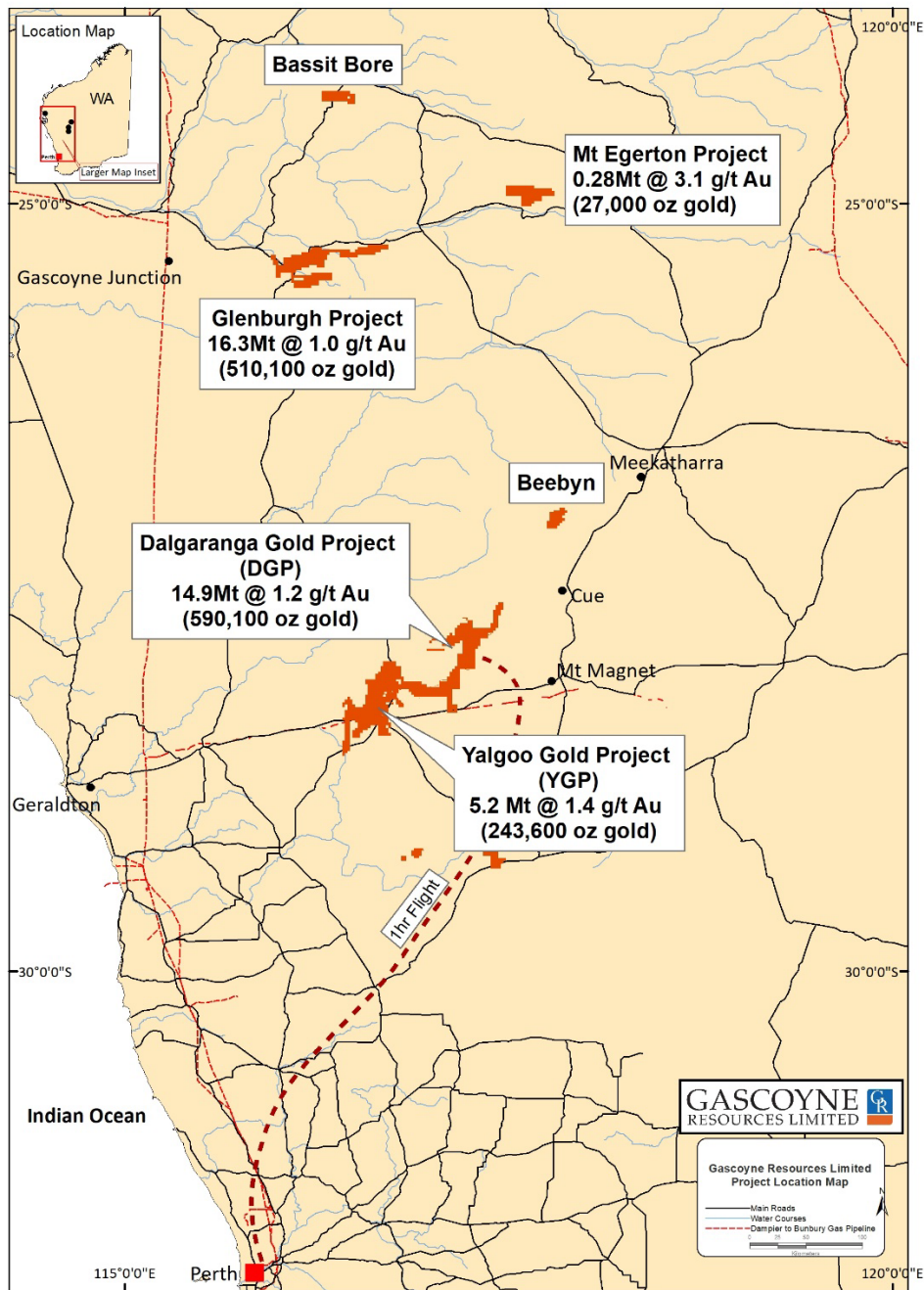


Figure 6: Location of Gascoyne Resources Ltd Projects

Continuation of Voluntary Suspension

This announcement is not the announcement referred to in the ASX release dated 6 December 2022 that would be required to lift the voluntary suspension from trading of Gascoyne shares and the Company does not request its voluntary suspension to be lifted.



Authorisation

This announcement has been authorised for release by the Board of Gascoyne Resources Limited.

For further information, please contact:

Investor inquiries:

Simon Lawson
Managing Director and CEO
+61 8 9481 3434

Media inquiries:

Read Corporate
Nicholas Read
+61 8 9388 1474

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BACKGROUND ON GASCOYNE RESOURCES

Gascoyne is an ASX-listed gold company located in the Tier-1 mining jurisdiction of Western Australia. The Company's flagship asset is the 100%-owned Dalgaranga Gold Project, located approximately 65km north-west from Mt Magnet in the Murchison District.

Dalgaranga produced over 70,000oz of gold in FY2022 before being placed on care and maintenance in November 2022 pending the development of a new strategic operating plan and a financial restructure aimed at delivering a sustainable gold production profile.

This new operating plan is focused on undertaking Resource development and exploration programs to establish a +5-year solid mine plan based on reserves, encompassing a blend of higher-grade sources with “baseload” ore feed capable of underpinning a sustainable production profile. GROUP MINERAL RESOURCES:

GROUP MINERAL RESOURCES			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	27.96	1.14	1,024.9
Inferred	8.19	1.25	328.3
GRAND TOTAL	36.74	1.16	1,370.8

Table A1: Group Mineral Resource Estimates for Gascoyne Resources Ltd (at various cut-offs)

MURCHISON REGION ¹			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	14.23	1.24	569.2
Inferred	5.35	1.44	246.9
TOTAL	20.17	1.29	833.7
GASCOYNE REGION ²			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.73	1.03	455.7
Inferred	2.84	0.89	81.4
TOTAL	16.57	1.01	537.1
GROUP MINERAL RESOURCES			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
GRAND TOTAL	36.74	1.16	1,370.8

Table A2: Group Mineral Resource Estimates by region for Gascoyne Resources Ltd (at various cut-offs)

¹ “Murchison Region” Mineral Resource includes Dalgaranga Gold Project (DGP) and Yalgoo Gold Project (YGP). The DGP also includes the Gilbey's North and Archie Rose mineral resources. Cut-off grades are 0.5g/t Au at DGP and 0.7g/t Au at YGP.

- 2 "Gascoyne Region" Mineral Resource includes Glenburgh Gold Project (GGP) and Mt Egerton Gold Project (EGP). Cut-off grades range are 0.25g/t Au at GGP open pit, 2.0g/t Au at GGP underground, and 0.7g/t Au at EGP open pit.

MURCHISON REGION

DALGARANGA GOLD PROJECT ("DGP")

The Dalgaranga Gold Project is located approximately 65km by road North-West of Mt Magnet in the Murchison Region of Western Australia and covers the majority of the Dalgaranga greenstone belt. The Dalgaranga Gold Project comprises several declared gold resources across more than 1,000km of tenure. Most gold resources at DGP are centred around the active Gilbey's Mining Centre and the nearby 100% Gascoyne-owned 2.5Mtpa processing facility.

Recent near-mine exploration success has seen the discovery of an extension to the main Gilbey's mineralised trend and the release of a 27koz maiden resource for the Gilbey's North Gold Deposit 140m north of the main Gilbey's open pit. During resource drill-out of the Gilbey's North discovery, the very high-grade Never Never Gold Deposit was also discovered and an initial 78koz @ 3.8g/t gold resource recently declared. Both new gold deposits are mineralised from surface, remain open at depth, and are located within 1,000m of the 2.5Mtpa Dalgaranga process plant.

The Dalgaranga Gold Project is the flagship project for the company.

RESOURCES

DALGARANGA GOLD PROJECT (DGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	10.88	1.17	408.8
Inferred	3.46	1.47	163.6
TOTAL	14.93	1.23	590.1

Table A3: DGP Mineral Resource statement for in-situ and surface stockpile resources above 0.5g/t Au

RESERVES

DALGARANGA GOLD PROJECT (DGP) ORE RESERVES						
Classification	Oxidation state	COG (g/t Au)	Mt	Au g/t	Au koz	
Proved	Oxide	0.50	-	-	-	
	Transition	0.50	0.08	0.82	2.0	
	Fresh	0.50	0.04	0.87	1.2	
	Stockpiles	0.50	-	-	-	
	Gold In circuit					1.0
	SUBTOTAL			0.12	1.10	4.2
Probable	Oxide	0.50	0.32	1.26	13.1	
	Transition	0.50	0.23	1.87	13.6	
	Fresh	0.50	1.37	0.94	41.2	
	SUBTOTAL			1.92	1.10	67.9
Total			2.04	1.10	72.1	

Table A4: DGP Mineral Reserve statement

MURCHISON REGION (CONTINUED)

YALGOO GOLD PROJECT (YGP)

The Yalgoo Gold Project (YGP), centred around the Melville and Applecross Gold Deposits, is situated approximately 20km north of the township of Yalgoo in Western Australia and around 110km by road from the 2.5Mtpa Dalgarranga processing plant. The YGP was acquired by Gascoyne in late 2021 and has a number of advanced gold prospects to be explored, both in and around the declared gold resources, as well as throughout the expansive +1,000sqkm tenure package.

The updated Mineral Resource Estimates for YGP can be found in ASX release dated 6 December 2021 and titled “24% increase in Yalgoo Gold Resource to 243,613oz strengthens Dalgarranga Growth Pipeline”.

RESOURCES

YALGOO GOLD PROJECT (YGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	3.35	1.49	160.4
Inferred	1.88	1.37	83.2
TOTAL	5.24	1.45	243.6

Table A5: YGP Mineral Resource statement for in-situ resources above 0.7g/t Au.

RESERVES

There are no declared ore reserves for the YGP at this stage.

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GASCOYNE REGION

There have been no material changes to the Gascoyne Region Mineral Resource Estimates since the previous reporting period. All details regarding the Mineral Resource Estimates of the Gascoyne Region were updated and released to the ASX on 18 December 2020 (“*Group Mineral Resources grow to over 1.3Moz*”) and 31 December 2021 (“*2021 Mineral Resource and Ore Reserve Statements*”).

GLENBURGH GOLD PROJECT (GGP)

The Glenburgh Gold Project is located in the Gascoyne region of Western Australia. The project is an advanced exploration project comprising 11 gold deposits split into 3 main gold enrichment zones along a 13km-long shear system.

RESOURCES

GLENBURGH GOLD PROJECT (GGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.50	1.0	430.7
Inferred	2.80	0.9	79.4
TOTAL	16.30	1.0	510.1

Table A6: GGP Mineral Resource statement for in-situ resources above 0.25g/t Au for open pit and above 2.0g/t Au for underground.

RESERVES

There are no declared ore reserves for the GGP at this stage.

MT EGERTON GOLD PROJECT (EGP)

The Mt Egerton Gold Project is located in the Gascoyne Region of Western Australia and situated approximately 170km east of the Glenburgh Gold Project. The current declared gold resource at Mt Egerton is made up of the high-grade Hibernian Gold Deposit. The entire Mt Egerton package is under-drilled, the Hibernian Deposit remains highly prospective for resource extension, both along-strike and down-plunge, and the advanced Gaffney’s Find gold prospect has returned some very good shallow high-grade gold hits.

RESOURCES

MT EGERTON GOLD PROJECT (EGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	0.23	3.4	25.0
Inferred	0.04	1.5	2.0
TOTAL	0.27	3.1	27.0

Table A7: EGP Mineral Resource statement for in-situ resources above 0.7g/t Au.

RESERVES

There are no declared ore reserves for the EGP at this stage.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources at the Dalgaranga Gold Project is based on, and fairly represents information and supporting documentation reviewed, collated, and compiled by Mr Simon Lawson, a full-time employee and the Managing Director of Gascoyne Resources Limited. Mr Lawson is a professional geoscientist and Member of The Australian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves. Mr Lawson consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The Mineral Resource estimates for the Gilbey's, Gilbey's North, Never Never, Gilbey's South, Plymouth and Sly Fox deposits referred to in this announcement are extracted from the ASX announcement dated 8 September 2022 and titled "Gold Resources increase by 15.6% to 1.37Moz". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

The Ore Reserve estimates for the Gilbey's, Gilbey's North, Never Never, Gilbey's South, Plymouth and Sly Fox gold deposits at the Dalgaranga Gold Project referred to in this announcement are extracted from the ASX announcement dated 21 September 2022 and titled "2022 Ore Reserves – Interim 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 announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

The Mineral Resource estimates for the Melville and Applecross deposits referred to in this announcement are extracted from the ASX announcement dated 6 December 2021 and titled "24% Increase in Resource Ounces at Yalgoo Gold Project". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

The Mineral Resources estimates for the Glenburgh Project referred to in this announcement are extracted from the ASX announcement dated 18 December 2020 and titled "Group Mineral Resources Grow to Over 1.3M oz". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

The Mineral Resources estimates for the Hibernian deposit at Mt Egerton referred to in this release are extracted from the ASX announcement dated 31 May 2021 and titled "2021 Mineral Resource and Ore Reserve Statements". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the original market announcement continue to apply and have not materially changed.

Forward-looking statements

This announcement contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar

words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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**JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data**

Dalgaranga project

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> The deposits and prospects have been drilled using Rotary Air Blast (RAB), Air Core (AC), Reverse Circulation (RC) and Diamond drilling over numerous campaigns by several companies, and currently by Gascoyne Resources Ltd. The majority of holes are on a 25m grid either infilling or extending known prospects. The exploration areas have wider spaced drilling. The majority of drill holes have a dip of -60° but the azimuth varies. For this release the results are from both Reverse Circulation Drilling and Diamond Drilling.
	<ul style="list-style-type: none"> Sample procedures followed by historic operators are assumed to be in line with industry standards at the time. Current QAQC protocols include analyses of field duplicates and the insertion of appropriate commercial standards and blank samples. Based on statistical analysis of these results, there is no evidence to suggest the samples are less than representative.
	<ul style="list-style-type: none"> RC drilling was used to obtain 1m samples which were split by a cone splitter at the rig to produce a 3 – 5 kg sample. In some cases, a 4m composite sample of approximately 3 – 5 kg was also collected from the top portion of the holes considered unlikely to host significant mineralisation. The samples were shipped to the laboratory for analysis via 50g Fire Assay or Photon assay. Where anomalous results were detected, the single metre samples were collected for subsequent analysis, also via 50g Fire Assay or Photon assay. A 4m composite sample of approximately 3 – 5 kg was collected for all AC drilling. This was shipped to the laboratory for analysis via a 25g Aqua Regia digest with reading via a mass spectrometer. Where anomalous results were detected, single metre samples will be collected for subsequent analysis via a 25g Fire Assay or Photon Assay. Where diamond drilling was undertaken or as diamond tails extending RC holes ½ core was sampling while for HQ holes ¼ core was sampled and the Fire Assayed using 50g charge fire assay with an AAS finish.
Drilling techniques	<ul style="list-style-type: none"> RC drilling used a nominal 5 ½ inch diameter face sampling hammer. AC drilling used a conventional 3 ½ inch face sampling blade to refusal or a 4 ½ inch face sampling hammer to a nominal depth. The diamond drilling was generally undertaken as diamond tails to RC holes. Core sizes can range from NQ, HQ or PQ diameter.
Drill sample recovery	<ul style="list-style-type: none"> RC and AC sample recovery is visually assessed and recorded where significantly reduced. Very little sample loss has been noted. The diamond drilling recovery has been excellent with very little to no core loss identified. There was no sample loss related to the drilling in this announcement.
	<ul style="list-style-type: none"> RC samples were visually checked for recovery, moisture and contamination. A cyclone and cone 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



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Criteria	Commentary
	<ul style="list-style-type: none"> speared to obtain the most representative sample possible. Where diamond drilling was undertaken, the core lengths are oriented and measured to determine % recovery, which was generally 100%.
	<ul style="list-style-type: none"> Sample recoveries are generally high. No significant sample loss has been recorded. Field duplicates produce consistent results. No sample bias is anticipated, and no preferential loss/gain of grade material has been noted.
Logging	<ul style="list-style-type: none"> Detailed logging exists for most historic holes in the data base. Current RC and AC chips are geologically logged at 1 metre intervals and to geological boundaries respectively. RC chip trays and end of hole chips from AC drilling have been stored for future reference. Diamond drill holes have all been geologically, structurally and geotechnically logged.
	<ul style="list-style-type: none"> RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining. The Diamond core is photographed tray by tray, both wet and dry.
	<ul style="list-style-type: none"> All current drill holes are logged in full.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Diamond drill core sampling completed by Gascoyne Resources on the Dalgara tenements has been ½ core (for NQ) or ½ or ¼ core (for HQ) sampled. Previous companies have conducted diamond drilling, it is unclear whether ½ core or ¼ core was taken by previous operators. In relation to this announcement ½ core was sampled RC chips were 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. RC and AC samples are dried. If the sample weight is greater than 3kg, the sample is riffle split. Samples are pulverised to a grind size where 85% of the sample passes 75 micron. Field QAQC procedures included the insertion of approximately 4% certified reference “standards”, 2% field duplicates and 2% ‘blanks’ for RC and AC drilling. Field duplicates were collected during RC drilling. Further sampling (lab umpire assays) will be conducted if it is considered necessary. The diamond core has been consistently sampled with the left hand side of the NQ hole sampled, while for the HQ, the left hand side of the left hand half was sampled.
	<ul style="list-style-type: none"> A sample size of between 3 and 5 kg was collected. This size is considered appropriate, and representative of the material being sampled given the width and continuity of the intersections, and the grain size of the material being collected.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> RC samples were sent to MinAnalytical Laboratory Pty Ltd for analysis, by Photon Assay. A 500g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates. For Fire Assay the sample is crushed and pulverised then assayed for gold using a 50g charge lead collection Fire Assay with AAS finish. For Photon Assay, the sample is crushed to nominal 85% passing 2mm, linear split and a nominal 500g sub sample taken (method code PAP3502R). The 500g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates.



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Criteria	Commentary
	<ul style="list-style-type: none"> No downhole geophysical tools etc. have been used at Dalgaranga. Field QAQC procedures include the insertion of both field duplicates and certified reference 'standards' and 'blank' samples. 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	<ul style="list-style-type: none"> At least 3 Company personnel verify all intersections.
	<ul style="list-style-type: none"> No twinned holes have been drilled to date by Gascoyne Resources.
	<ul style="list-style-type: none"> Field data is collected using Log Chief on tablet computers. The data is sent to the Gascoyne Database Manager for validation and compilation into a SQL database server.
	<ul style="list-style-type: none"> No adjustments have been made to assay data apart from values below the detection limit which are assigned a value of negative the detection limit
Location of data points	<ul style="list-style-type: none"> Most drill collars are set-up using a hand-held GPS to an accuracy of about 3m. The RC and diamond drill hole collars, once the hole is complete, are picked up by DGPS. A down hole survey was taken at least every 30m in RC and Diamond holes by an electronic multi-shot tool by the drilling contractors. Gyro surveys have been undertaken on selected holes to validate the multi-shot surveys. In the case of this announcement all holes have been surveyed by Company Surveyor using DGPS and Gyro surveys were undertaken down hole by drilling contractors for the drill holes in this announcement.
	<ul style="list-style-type: none"> The grid system is MGA_GDA94 Zone 50
Data spacing and distribution	<ul style="list-style-type: none"> Initial exploration by Gascoyne Resources is targeting discrete areas that may host mineralisation. Consequently, current drilling is not grid based, however when viewed with historic data, the drill holes generally lie on existing grid lines. In the case of this announcement the drillholes lie on approximately 25-50m spaced sections.
	<ul style="list-style-type: none"> Any represented 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.
	<ul style="list-style-type: none"> 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 cone 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 often collected for subsequent analyses.
	<ul style="list-style-type: none"> In relation to this announcement 1m samples were collected and analysed.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drilling sections are orientated perpendicular to the strike of the mineralised host rocks at Dalgaranga. This varies between prospects and consequently the azimuth of the drill holes also varies to reflect this. The drilling is angled at between -50 and -60° which is close to perpendicular to the dip of the stratigraphy.
	<ul style="list-style-type: none"> No orientation-based sampling bias has been identified in the data at this point.



Criteria	Commentary
Sample security	<ul style="list-style-type: none"> Chain of custody is managed by Gascoyne Resources. Drill Samples are dispatched weekly from the Dalgaranga Gold Project site. Currently Beattie Haulage and Toll delivers the samples directly to the assay laboratory in Perth. In some cases Company personnel have delivered the samples directly to the lab. Diamond drill core is transported directly to Perth for cutting and dispatch to the assay lab for analysis. These samples were delivered to the Laboratory by Beattie Haulage.
Audits or reviews	<ul style="list-style-type: none"> Data is validated by the Gascoyne Database Manager whilst loading into database. Any errors within the data are returned to relevant Gascoyne geologist for validation.

Section 2 Reporting of Exploration Results: Dalgaranga Project

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

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Dalgaranga project is situated on Mining Lease Number M59/749. The tenement is 100% owned by Gascoyne Resources Limited. Other project Tenements include E59/1709, E59/1904, and E59/1906 which Gascoyne Resources has an 80% interest. The Archie Rose deposit lies on E59/2053 and is 100% owned by Gascoyne Resources. The Tanqueray prospect lies on E59/1709 and E59/1904 where Gascoyne Resources has an 80% interest. The Hendricks prospect lies on E59/1709 which Gascoyne Resources has an 80% interest. The tenements are in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> The tenement areas have been previously explored by numerous companies including BHP, Newcrest and Equigold. Previous mining and processing was carried out by Equigold in a JV with Western Reefs NL from 1996 – 2000.
Geology	<ul style="list-style-type: none"> Regionally, the Dalgaranga project lies in the Archean aged Dalgaranga Greenstone Belt in the Murchison Province of Western Australia. At the Gilbey's deposit, most gold mineralisation is associated with shears situated within biotite-sericite-carbonate pyrite altered schists with quartz-carbonate veining within a porphyry-shale-mafic (dolerite, gabbro, basalt) rock package (Gilbey's Main Porphyry Zone). The Gilbey's Main and Gilbey's North deposit Porphyry Zone trends north – south and dips moderately-to-steeply to the west on local grid while Sly Fox deposit trends east – west and dips steeply to the north. These two trends define the orientation of the limbs of an anticlinal structure, with a highly disrupted area being evident in the hinge zone. At the Sly Fox deposit gold mineralisation occurs in quartz veined and silica, pyrite, biotite altered schists. The Plymouth deposit lies between Gilbey's and Sly Fox within the hinge zone of anticlinal structure – mineralisation at Plymouth is related to quartz veins and silica, pyrite, biotite altered schists. At Hendricks and Vickers gold mineralisation occurs in quartz-pyrite veined and altered zones hosted in basalts.



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Criteria	Commentary
	<ul style="list-style-type: none"> The Never Never deposit at Gilbey's North appears to occur at an intersection between a significant mineralised structure and the mine sequence – the lode plunges steeply to the west and is characterised by strong quartz-sericite alteration, with fine to very fine pyrite sulphide and gold mineralisation. A number of historic gold and base metal prospects occur, in particular the Archie Rose gold deposit which contains a number of significant gold intersections over an open-ended strike length of 300m associated with ENE/WSW structural trend observable in aeromagnetic data. Gold mineralisation at Archie Rose is associated with sheared gabbro. At Tanqueray – gold mineralisation occurs in an East – West trending zone over 500m with mineralisation associated with quartz, sericite, and pyrite altered schists.
Drill hole Information	<ul style="list-style-type: none"> Recent RC and diamond drilling is being reported in this announcement. See body of the text for sample results, collar coordinates and survey (azimuth, RL and dip) information in tables, maps and sections.
Data aggregation methods	<ul style="list-style-type: none"> All reported assays have been length weighted if appropriate. No top cuts have been applied. A nominal 0.5g/t Au lower cut off has been applied to the RC and diamond results and 0.2 g/t Au cut off to the Aircore results. High grade Au intervals lying within broader zones of Au mineralisation are reported as included intervals. No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> The mineralised zones at Dalgaranga vary in strike between prospects, but all are relatively steeply dipping. Drill hole orientation reflects the change in strike of the rocks and consequently the downhole intersections quoted are believed to approximate true width unless otherwise stated in the announcement.
Diagrams	<ul style="list-style-type: none"> Refer to figures within body of text.
Balanced reporting	<ul style="list-style-type: none"> In the opinion of the Competent Person the content of this announcement represents a balanced report of exploration results.
Other substantive exploration data	<ul style="list-style-type: none"> Any further related details will be reported in future releases when data is available.
Further work	<ul style="list-style-type: none"> Exploration will continue at Dalgaranga with drilling conducted to extend the current resources, mine life and follow up of significant exploration results will continue including exploration drilling of new areas on the project. Refer to figures in body of text.