

## ASX ANNOUNCEMENT

6 February 2023

# NEVER NEVER GOLD DEPOSIT EXPLORATION TARGET

*Establishing the scale of the newest high-grade gold discovery in Western Australia*

### Highlights:

- A JORC Exploration Target has been completed for the Never Never gold deposit, located immediately adjacent to the main Gilbey's open pit at the Dalgarranga Gold Project in WA.
- The Never Never Exploration Target is inclusive of the Never Never Mineral Resource Estimate ("MRE"), which was recently upgraded to:
  - 2.03Mt at 4.64g/t Au for 303,100oz gold, including an Underground Resource of:
    - 0.93Mt at 7.22g/t Au for 216,600oz gold
- The Company has re-focused as an exploration company and remains strongly positioned to establish a sustainable long-term production profile, with:
  - One of the highest-grade and fastest growing new gold discoveries in Western Australia, and,
  - A 100%-owned, "restart-ready" 2.5Mtpa gold processing plant and infrastructure; as well as:
  - A technically strong and focused management team supporting a group of site-based geologists, specialists in designing and managing rapid resource/reserve definition drilling, data collection/validation and resource estimation.
- An extensive drilling program is planned to commence upon the completion of the financial restructure that is currently in progress.

## Exploration Target

Gascoyne Resources Limited (ASX: **GCY**) (**Gascoyne** or **the Company**) is pleased to advise that it has calculated an Exploration Target for the **Never Never Gold Deposit**. The Exploration Target comprises:

Grade (g/t Au) Low	Grade (g/t Au) High	Tonnes ('m) Low	Tonnes ('m) High	Contained Gold (oz) - Low	Contained Gold (oz) - High
4.6	6.2	4.0	5.0	600,000	1,000,000

The potential quantity and grade of the Exploration Target is conceptual in nature and as such there has been insufficient exploration drilling conducted to estimate a Mineral Resource. At this stage it is uncertain if further exploration drilling will result in the estimation of a Mineral Resource. The Exploration Target has been prepared in accordance with the JORC Code (2012).

**Note:** The Exploration target is inclusive of the recent updated Mineral Resource Estimate for the Never Never Gold Deposit of 2.03Mt @ 4.64g/t Au for 303,100oz gold<sup>1</sup>

1. See ASX release dated 23 January 2023 for details of the Never Never MRE.

Gascoyne Resources Managing Director and CEO, Mr Simon Lawson, said:

*“Given the significant amount of drill data that is available for Never Never, we are in the fortunate position of being able to calculate a sizeable Exploration Target under the JORC code that demonstrates the enormous upside potential that this unique deposit offers.*

*“This Exploration Target represents a statement of intent – a commitment from our team to our shareholders past, present and future that we will rapidly build on our new resource and seek to substantially expand the high-grade Never Never Gold Deposit in the next 12-18 months.*

*“The Exploration Target uses metrics taken from the recent Never Never MRE update and outlines potential extensions of the deposit based on recent step-out drilling as well as geological and structural interpretation work.*

*“We believe the grades used for both lower and upper ranges of the Exploration Target are conservative but justifiable. The lower grade range is derived from the global resource grade of the Never Never MRE, And the upper grade range is conservatively lower than the average grade of the Indicated and Inferred underground material informed by our drilling and estimated during the MRE.*

*“Given that most new material added to subsequent Never Never MRE updates will come from extensions of the high-grade Never Never deposit at depth – and given that the grade of the deposit appears to be increasing with depth as well as the average intercept widths and grades from our eight deepest drill-holes at almost 30m and averaging 8.9g/t Au – this bodes well for the potential to convert the Exploration Target to JORC Mineral Resources over the coming months.*

*“Exploration Targets are aspirational by nature and are meant to be a way for resource companies to communicate their vision for growth and the possibilities for the future. This Exploration Target builds a vision from a strong foundation and is just the start of the high-grade journey for Gascoyne and its shareholders.*

*“From discovery to delivering 300,000 high-grade resource ounces in less than 12 months is a rare and exciting result. To achieve that result at a discovery cost of A\$20/ounce is a tribute to the focus and discipline of a great technical team – a team doing amazing things with significant momentum. We firmly believe that our team can keep that momentum going, rapidly expand Never Never and deliver a solid 5-year mine plan in front of our 100%-owned process plant.*

*“Our vision is high-grade gold and we are focussed on making this a reality.”*

## **Exploration Target Basis**

Gascoyne drilled over 30,000m at the Never Never Gold Deposit during 2022. That work has so far demonstrated the following key attributes of this growing high-grade discovery:

- The deposit is focused between two structures (inferred “faults”) – the Never Never Fault (Hangingwall position) and Gilbey’s North Fault (Footwall position);
- Assays from drilling completed to date indicate that gold grades increase with depth and gold mineralisation remains open; and
- The periphery (strike) of the mineralised system remains open and is yet to be defined.

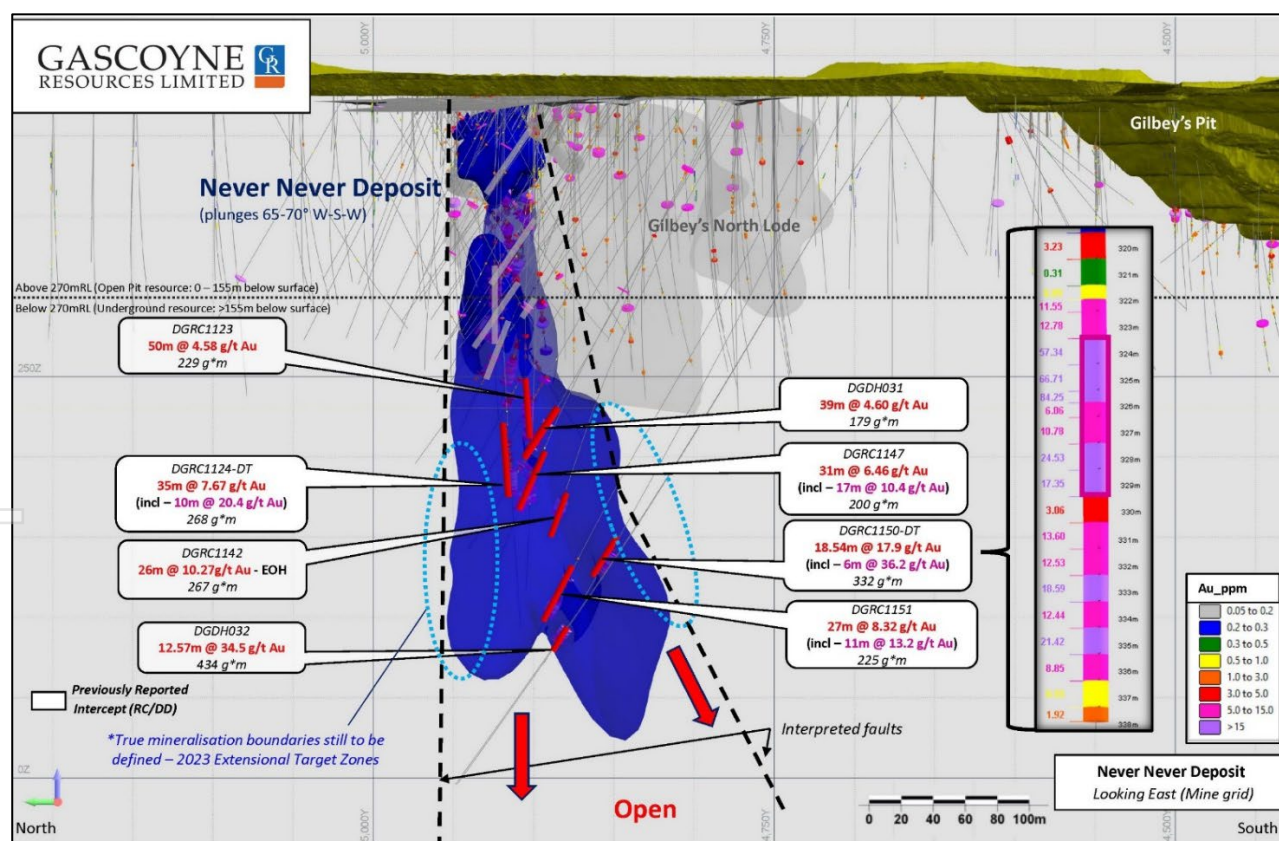
The Exploration Target has been modelled using Leapfrog Geo software and assumes continuity between the two structures down-dip over an additional 300 metres to approximately 600m below surface, or approximately double the extent of the current Never Never Gold Deposit MRE.

Drilling, logging and interpretation work undertaken at Never Never to date, as well as deep RC drilling from the base of the Gilbey's Open Pit, shows no indication that the down-dip mineralised units could be structurally affected or interrupted at this stage.

The volume of the projected Never Never "extension" has been modelled as controlled by the two structures (as seen in recent drilling and interpretation). Lower limit tonnes indicate the target essentially doubles the current MRE (i.e an additional 2.0mt) with upside reflecting the non-reportable 'Unclassified material' which are the lateral extents of Never Never being confirmed by drilling and extended at depth. The 5.0mt upper limit target is also viewed by Gascoyne as conservative.

The gold grade range applied assumes the lower limit reflects the current average gold grade of Never Never deposit, taking into account both open pit and underground grades. The upper limit applied is conservative and lower than the 7.2g/t Au average grade estimated for "Underground" material (14% lower) determined during the recent Never Never MRE process, and 30% lower than the average of the deepest eight drillholes which have a weighted average grade of 8.9g/t Au (and average width of 30m).

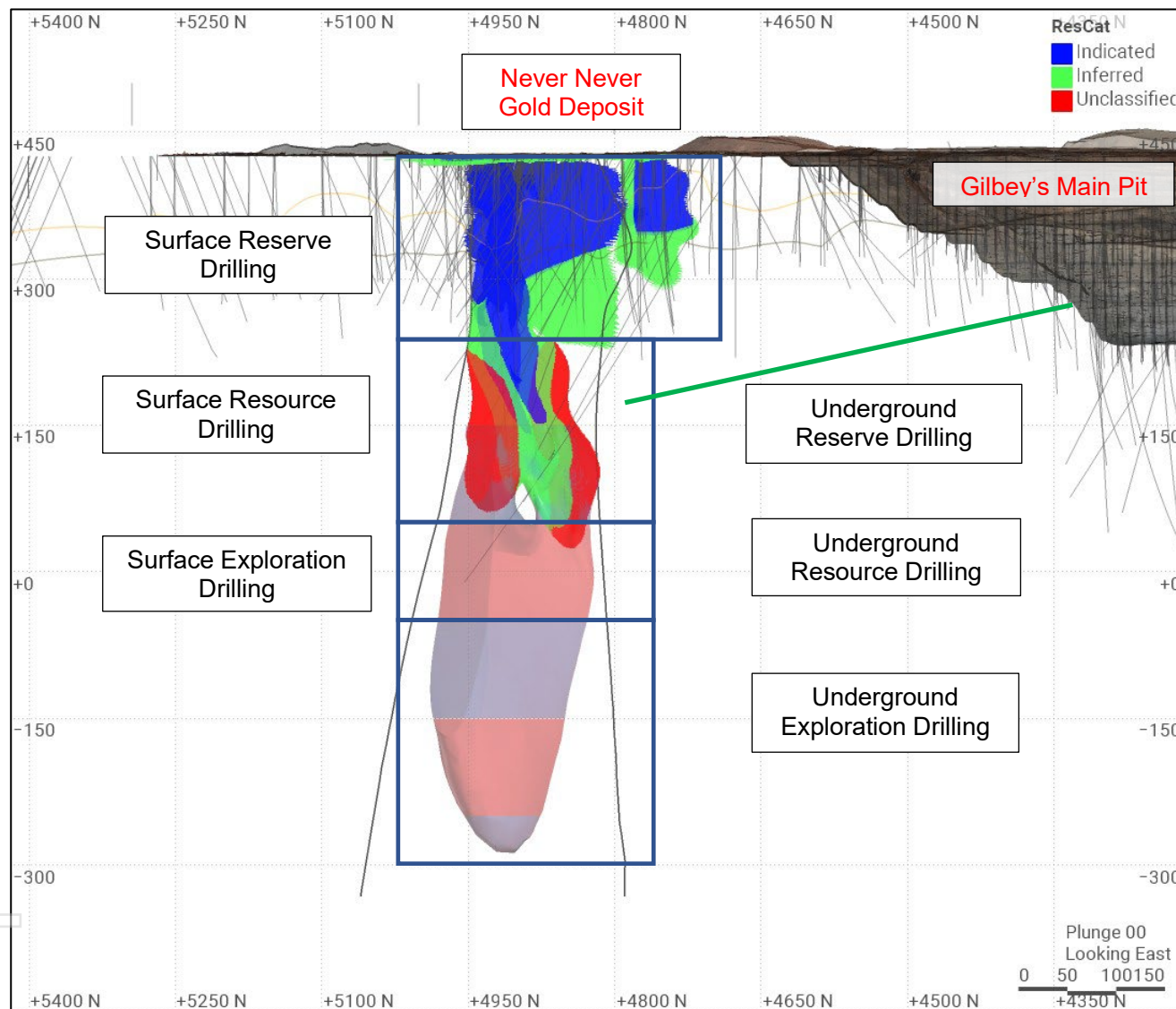
The Exploration target is well supported by numerous drill intercepts throughout the deposit including the lower section of the recent 303,100 oz Au Never Never Gold Deposit MRE (see Figure 1 below).



**Figure 1:** Eight deepest drill-holes intersecting the Never Never Gold Deposit (from recent Never Never Gold Deposit MRE).

It is important to note, and as referenced above, that the average down-hole width of the eight deepest drill-hole intercepts highlighted in red in Figure 1 is **29.9 metres** with an average weighted grade of **8.9 g/t Au**.

The Exploration Target area has been modelled and illustrated below in Figure 2 and 3, also highlighted is the projected staging of drilling activity by outcome i.e Reserve/Resource and exploration.



**Figure 2:** Looking East at the Never Never Gold Deposit - MRE Resource Classifications, 2023 Drill Phase Target Areas and Schematic Underground Exploration Drill Drive (green)

## Planned Dalgara Exploration 2023

Gascoyne plans to spend \$10-\$15 million in drilling over the next 12-18 months at Dalgara with the majority focused on the Never Never Gold deposit, Never-Never style high-grade targets and potential baseload mill feed open pit resources, such as Gilbey's East.

An additional \$8-\$10 million is planned to develop an underground exploration decline and drill platform to assist with resource conversion, reserve drilling and deeper exploration work at Never Never and

nearby high-grade positions. The planned expenditure is subject to the completion of the financial restructure that is currently in progress.

Surface drilling is planned to commence upon completion of the financial restructure with an initial programme planned to include 30,000 metres of reverse circulation drilling and 5,000 metres of diamond drilling. Within this initial programme, approximately 70% focused on Never Never and the immediate Never Never high-grade corridor.

Updated MREs for Never Never and the Gilbey's Complex are planned for completion and release during 2023 using evolving litho-structural models informed by ongoing drilling and geological analyses.

## **Never Never Focussed Drilling**

At Never Never initial surface drilling will target the lower extents of the current MRE, in particular the unclassified material, before testing the block 100 metres directly below the MRE.

Underground drilling is planned from an underground exploration drill drive developed laterally from the northern upper high-wall of the main Gilbey's open pit. The exploration drive is currently in design and applications for approvals are currently being prepared for submission to the Department of Mining, Industry Regulation and Safety during the first half of 2023. Gascoyne envisages the underground drilling component of its strategy to commence in the December quarter of 2023.

Underground reserve drilling will target conversion of the lower MRE (reported as "underground" material) from Inferred to Indicated as well bring areas of unclassified "Mineralised Inventory" into the resource/reserve paving the way for determination of a maiden reserve for the Never Never deposit.

Focus for underground drilling will then shift to extending the MRE at depth and targeting the structural corridor from Gilbey's to Never Never via various drill positions.

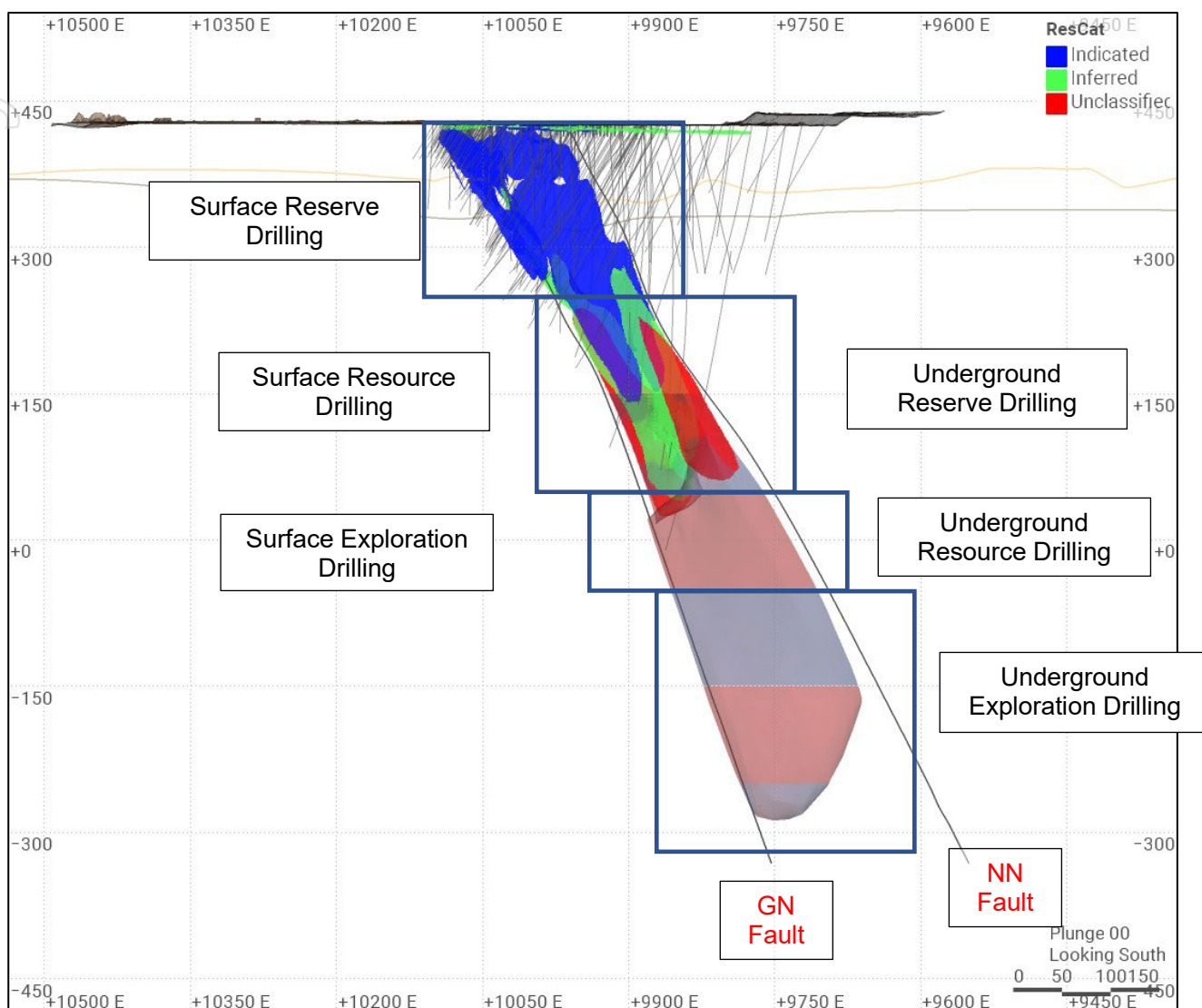


Figure 3: Never Never Gold Deposit - MRE ResCats and Exploration Target Area (looking south)

## Other Near-Mine Targets

Exploration is also intended to focus on other higher-grade and base-load targets that are intended to provide ore as part the five-year restart plan for the Dalgaranga Gold Project. These include Gilbey's East and the Never-Never style high-grade shoots identified at the Gilbey's Main Deposit.

The 3km corridor located wholly on the mining lease from Never Never to the previously mined Golden Wings open pit deposit is poorly tested by wide-spaced, largely ineffective historic air core and rotary air-blast drilling which in many instances failed to reach bedrock. Never Never itself was located in between prior sterilisation drilling parallel to the orientation of historic drill lines.

Despite ineffective testing of the near-mine corridor, in-regolith gold anomalies exist, including the 'Arc Prospect' approximately 800m from Never Never with drill intercepts including 12m @ 1.7g/t Au from 76m, 4m @ 4.0g/t Au from 68m, 8m @ 1.1g/t from 80m, 24m @ 0.8g/t Au from 84m. (see Figure 4)

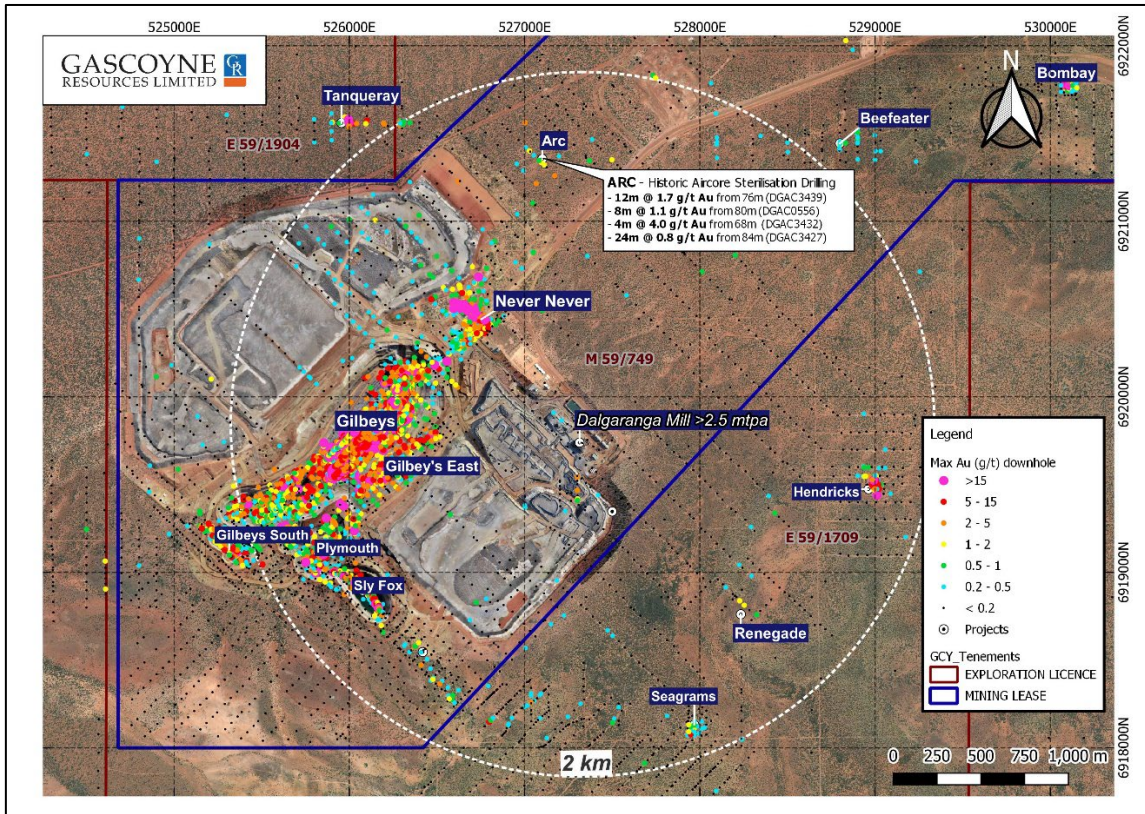


Figure 4: Dalgaranga Near-Mine Targets (GDA grid)

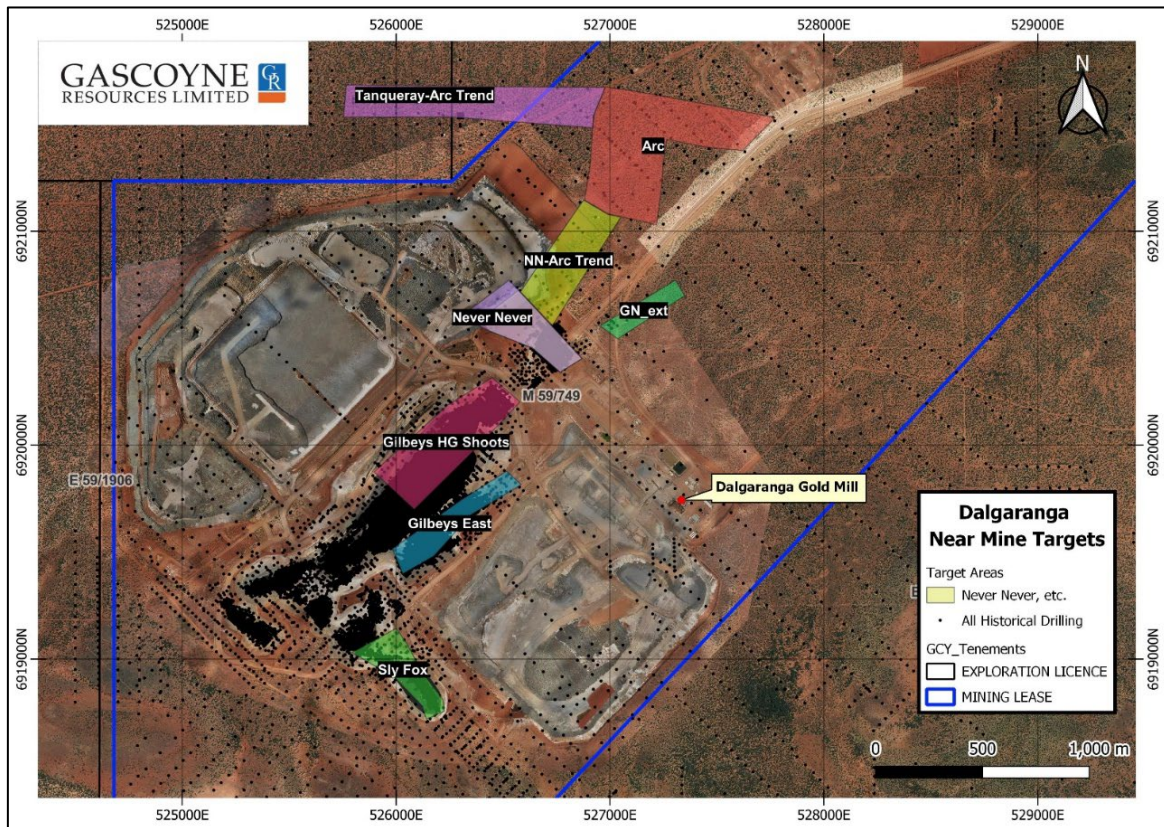


Figure 5: Dalgaranga Near-Mine Targets (GDA grid)

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## Competent Persons Statement

The Exploration Target estimate has been prepared by Mr Nicholas Jolly (BSc, Grad Cert MinEcon.). Mr Jolly is geologist with over 25 years relevant industry experience, and a full-time employee of Gascoyne Resources Limited and is a Member in good standing of the Australian Institute of Geoscientists. Mr Jolly has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that was undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition). Mr Jolly consents to the inclusion of the data in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources for the Never Never Gold Deposit at the Dalgarranga project has been compiled under the supervision of Mr Nicholas Jolly (BSc, Grad Cert MinEcon.). Mr Jolly is geologist with over 25 years relevant industry experience, and a full-time employee of Gascoyne Resources Limited and is a Member in good standing of the Australian Institute of Geoscientists. Mr Jolly has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that was undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition). Mr Jolly consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to exploration results from the Dalgarranga Gold Project (Gilbey's, Gilbey's South, Plymouth, Sly Fox and Gilbey's North / Never deposits) are based on, and fairly represents data compiled by Gascoyne's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion of the data in the form and context in which it appears.

The Mineral Resource estimate for the Yalgoo Gold Project referred to in this announcement is extracted from the ASX announcement dated 6 December 2022 and titled "24% INCREASE IN YALGOO GOLD RESOURCE TO 243,613oz STRENGTHENS DALGARANGA GROWTH PIPELINE". 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 estimate for the Glenburgh Project referred to in this announcement is 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 Resource estimate for the Mt Egerton Project referred to in this announcement is 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.

Information in this announcement relating to the Glenburgh and Mt Egerton Gold Projects is based on, and fairly represents, data compiled by Gascoyne's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion in this announcement of the data relating to the Glenburgh and Mt Egerton Gold Projects in the form and context in which it appears.





## 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.

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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 Dalgara Gold Project, located approximately 65km north-west from Mt Magnet in the Murchison District.

Dalgara 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.**

## Forward-looking statements

This announcement contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "aim", "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.

## Appendix 1: Company Resource Statements

### Murchison Region Mineral Resources (DGP & YGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	1.0	15.2
Indicated	14.09	1.5	661.8
Inferred	5.55	1.9	331.7
<b>TOTAL</b>	<b>20.14</b>	<b>1.6</b>	<b>1,008.7</b>

*Table A1: Combined Mineral Resource Statement for the Murchison Region, includes the Dalgaranga Gold Project (DGP) and Yalgoo Gold Project (YGP)*

### Dalgaranga Gold Project (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	1.0	15.2
Indicated	10.73	1.5	501.4
Inferred	3.67	2.1	248.4
<b>TOTAL</b>	<b>14.9</b>	<b>1.6</b>	<b>765.1</b>

*Table A2: The GDP includes in-situ mineral resources for the Never Never Gold Deposit, the Gilbey's Complex Group of Gold Deposits, and the Archie Rose Gold Deposit.*

### Never Never Gold Deposit Mineral Resource Estimate (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	1.33	3.7	157.3
Inferred	0.71	6.4	145.8
<b>TOTAL</b>	<b>2.03</b>	<b>4.6</b>	<b>303.1</b>

*Table A3: The Never Never Gold Deposit includes in-situ the Gilbey's North and Never Never Lodes. Reporting cut-off grades are 0.5g/t Au for Open Pit defined mineral resources and 2.0g/t Au for Underground defined mineral resources.*

### "Gilbey's Complex" Mineral Resource Estimate (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	0.95	15.2
Indicated	9.41	1.06	344.1
Inferred	1.76	0.86	63.6
<b>TOTAL</b>	<b>11.66</b>	<b>1.13</b>	<b>422.9</b>

*Table A4: Gilbey's Complex Mineral Resource Estimate Statement for in-situ resources above 0.5g/t Au (depleted to Dec 2022)*

Apart from mining depletion between 1 July 2022 and 31 December 2022, no material changes have been made to the Gilbey's Complex (Gilbey's Main, Sly Fox and Plymouth deposits) MRE since they were released by Gascoyne in September 2022. As such the details of the MRE can be found in ASX release dated 8 September 2022 and titled "Group Gold Resources Increase by 15.6% to 1.37Moz with Resource Grade up by 29%".

### Archie Rose Gold Deposit Mineral Resource Estimate (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Inferred	1.21	1.01	39.1
<b>TOTAL</b>	<b>1.21</b>	<b>1.01</b>	<b>39.1</b>

**Table A5:** Archie Rose Initial Mineral Resource statement for in-situ resources above 0.5g/t Au.

No material changes have been made to the Archie Rose deposit MRE since they were released by Gascoyne in September 2022. As such the details of the MRE can be found in ASX release dated 8 September 2022 and titled "Group Gold Resources Increase by 15.6% to 1.37Moz with Resource Grade up by 29%".

### 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
<b>TOTAL</b>	<b>5.24</b>	<b>1.45</b>	<b>243.6</b>

**Table A6:** The YGP includes in-situ mineral resources for the Melville and Applecross Gold Deposits. Reporting cut-off grades are g/t Au.

No material changes have been made to the Melville or Applecross Gold Deposit MRE, as a whole the "Yalgoo Gold Project", since they were released by Gascoyne Resources in December 2021. As such the details of those individual MRE 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".

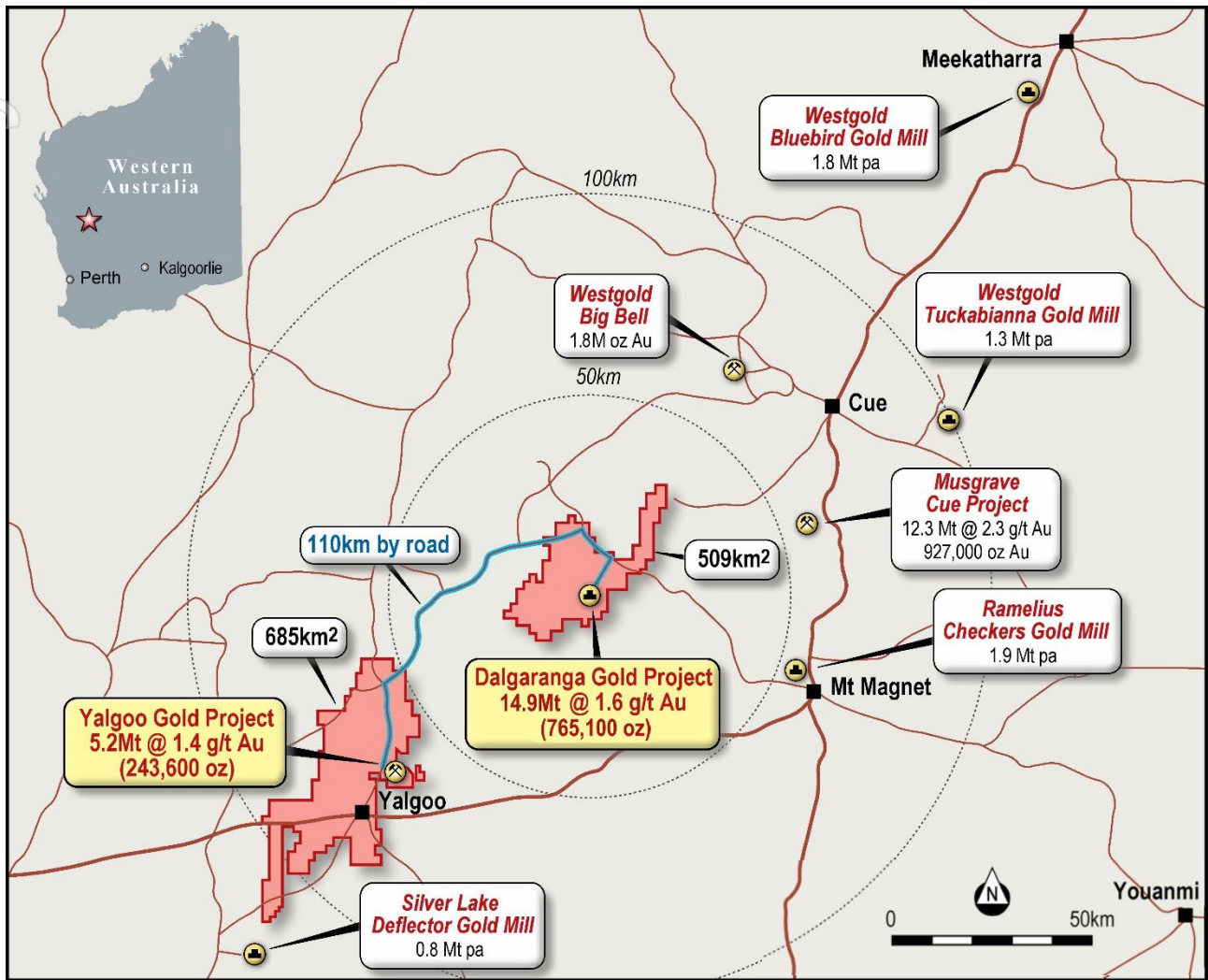


Figure 6: Location of Gascoyne Resources Ltd Murchison Region Gold Projects and nearby operations

## Gascoyne Region Mineral Resources (GRP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.73	1.03	455.7
Inferred	2.84	0.89	81.4
<b>TOTAL</b>	<b>16.57</b>	<b>1.01</b>	<b>537.1</b>

**Table A7:** Gascoyne Region Total Mineral Resource statement includes the Glenburgh Gold Project (GGP) and the Mt Egerton Gold Project (EGP)

No material changes have been made to the Mineral Resource Estimates of the Glenburgh Gold Project or the Mt Egerton Gold Project since they were released by Gascoyne Resources in May 2021. The detail of the Glenburgh MRE can be found in ASX release dated 17 December 2020 and titled "Group Mineral Resources Grow to Over 1.3Moz". Detail for the Mt Egerton MRE can be found in ASX release dated 31 May 2021 and titled "2021 Mineral Resource and Ore Reserve Statements".

## Glenburgh Gold Project (GGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.5	1.0	430.7
Inferred	2.8	0.9	79.4
<b>TOTAL</b>	<b>16.3</b>	<b>1.0</b>	<b>510.1</b>

**Table A8:** The Glenburgh Gold Project Mineral Resource Estimate for in-situ resources above 0.25g/t Au for open pit defined mineral resources and above 2.0g/t Au for Underground defined mineral 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
<b>TOTAL</b>	<b>0.27</b>	<b>3.1</b>	<b>27.0</b>

**Table A9:** The Mount Egerton Gold Project Mineral Resource Estimate for in-situ resources above 0.70g/t Au for open pit defined mineral resources.

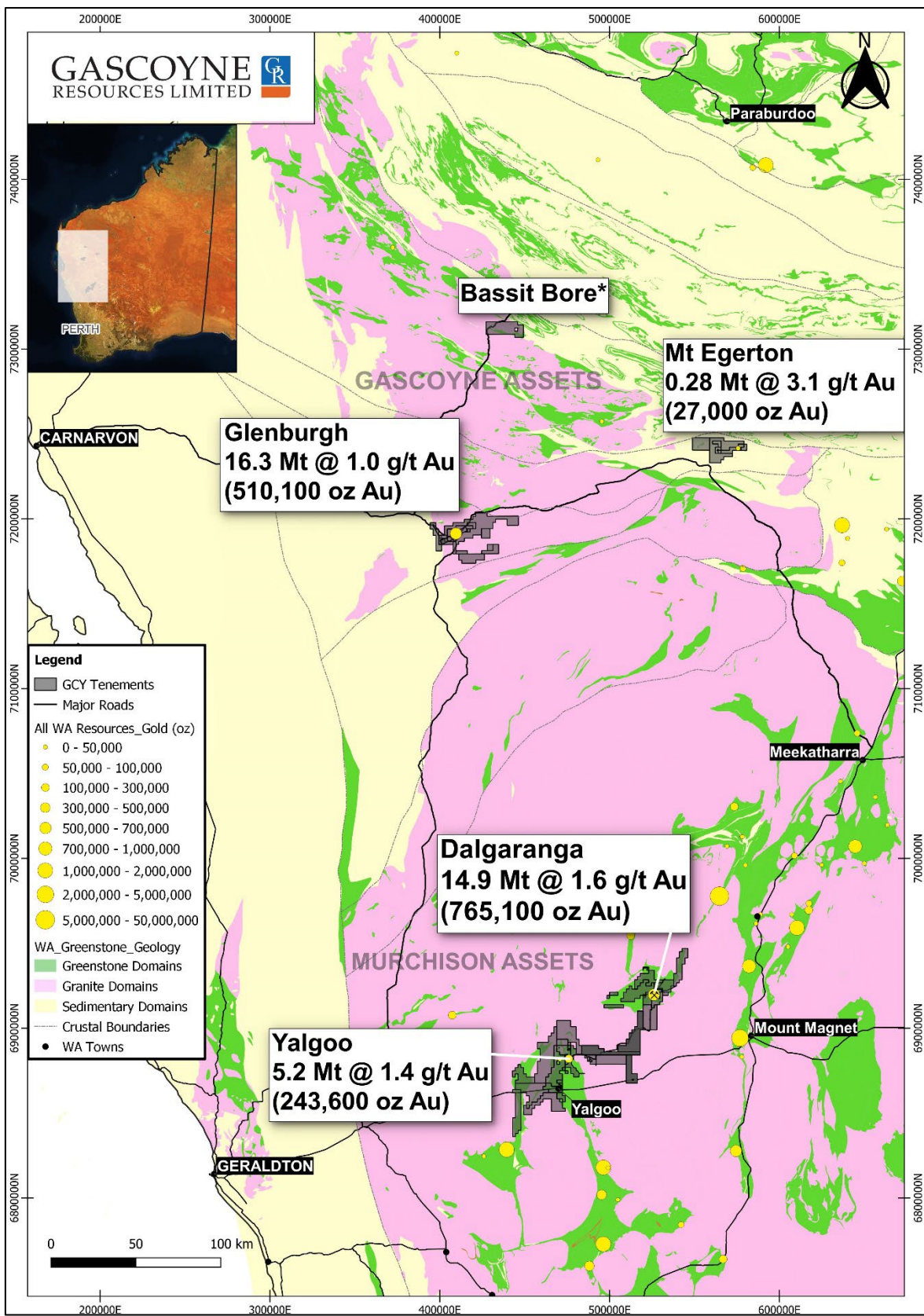


Figure 7: Location of Gascoyne Resources Ltd Murchison and Gascoyne Regional Projects

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## Appendix 2: JORC Code, 2012 Edition – Table 1

### *Section 1 Sampling Techniques and Data*

#### *Never Never Gold Deposit – Exploration Target*

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

Criteria	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>The Never Never Project Area was previously drilled as part of sterilisation drilling for waste dumps. Exploration drilling commenced in December 2021 following up a historic AC drilling intercept. Resource Development drilling commenced in February 2022 when significant mineralisation intersections were encountered.</li> <li>The majority of drill holes have a dip of -60° but the azimuth varies. RC drilling is predominant with DD completed between August and November 2022.</li> <li>RC drilling was used to obtain 1 m samples which were split by a cone splitter at the rig to produce a 3 – 5 kg sample. The samples were shipped to the laboratory for analysis via 500 g Photon assay.</li> <li>Where DD was undertaken or as DD tails extending RC holes ½ core was sampling while for PQ, HQ or NQ holes with analysis via 500 g Photon assay. Current QAQC protocols include the analysis 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 not representative.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>RC drilling used a nominal 5 ½ inch diameter face sampling hammer.</li> <li>The DD was undertaken from surface or as DD tails from RC pre-collars.</li> <li>Core sizes range from NQ, HQ or PQ (to allow geotechnical and/or metallurgical samples to be collected).</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>RC sample recovery is visually assessed and recorded where significantly reduced. Negligible sample loss has been recorded.</li> <li>DD was undertaken and the core measured and orientated to determine recovery, which was generally 100% in transitional / fresh rock. Core in oxide was generally triple tubed to ensure high recoveries.</li> <li>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.</li> <li>RC Sample recoveries are generally high. No significant sample loss has been recorded.</li> <li>RC Field duplicates produce consistent results. No sample bias is anticipated, and no preferential loss/gain of grade material has been noted.</li> </ul>



Criteria	Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li>• Detailed logging exists for most historic holes in the data base. Current RC chips are geologically logged at 1 metre intervals and to geological boundaries respectively. RC chip trays have been stored for future reference.</li> <li>• RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining.</li> <li>• DD holes have all been additionally logged for structural and geotechnical measurements.</li> <li>• The DD core photographed tray by tray wet and dry and have been labelled appropriately for reference &lt;holeID_mFrom_mTo_WET/DRY&gt;.</li> <li>• All drill holes in the last 12 months were logged in full.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• RC chips were cone split at the rig. Samples were generally dry.</li> <li>• 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.</li> <li>• RC samples are dried. If the sample weight is greater than 3 kg, the sample is riffle split.</li> <li>• The DD core has been consistently sampled with the left-hand side of the core sampled.</li> <li>• Samples are coarse crushed to 2 mm prior to photon assaying.</li> <li>• Field duplicates were collected during RC drilling. Further sampling (lab umpire assays) are conducted if it is considered necessary – policy is for 3% of grading assays greater than 0.2 ppm Au are selected for Fire Assaying.</li> <li>• Umpire assaying for Q3/Q4 drilling is currently underway.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• RC and DD samples were sent to MinAnalytical Laboratory Pty Ltd for analysis, by Photon Assay. A 500 g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates.</li> <li>• For Photon Assay, the sample is crushed to nominal 85% passing 2 mm, linear split and a nominal 500 g sub sample taken (method code PAP3502R).</li> <li>• The 500 g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates.</li> <li>• Additional Bulk Density measurements were taken from DD core by MinAnalytical staff (method code OA-GRA08), across material types (Laterite, oxide, transitional, fresh) lithologies (shales, schists, porphyries) and mineralised zones. Results were in line with project averages contained within the database.</li> <li>• 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.</li> <li>• No downhole geophysical tools etc. have been used at Dalgara.</li> </ul>

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Criteria	Commentary
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>At least 3 Company personnel verify all intersections.</li> <li>No twinned holes have been drilled to date by Gascoyne Resources, however, three different orientations have tested the mineralised trend, each verifying the geometry of the mineralised shoot.</li> <li>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.</li> <li>All logs were validated by the Project Geologist prior to being sent to the Database Administrator for import into GCY's database.</li> <li>No adjustments have been made to assay data apart from values below the detection limit which are assigned a value of half the detection limit (positive number) prior to estimation.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>The RC and DD holes have been picked up by DGPS. A down hole survey was taken at least every 30 m in RC holes by gyro survey tool by the drilling contractors.</li> <li>RC holes &gt;200 m and all DD holes had down holes surveys at the completion of each hole with readings every 10 m.</li> <li>The grid system is MGA_GDA94 Zone 50, coordinates are converted to Dalgaranga local mine grid.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Initial drilling was conducted on 25 m – 100 m east-west (local grid) aligned grid spacing which aligns with the main Gilbey's trend and stratigraphy.</li> <li>Defining the orientation of the Never Never deposit saw alternative drilling orientations used to pin down the strike and geometry, which included drilling north-east, south-east, and north-south orientation.</li> <li>Close-spaced grade control drilling has been conducted on a 10 m x 7.5 m grid over the upper 50 m of the deposit, demonstrating continuity of mineralisation and confirming the geological model within the oxide domains of the deposit.</li> <li>The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Never Never demonstrates a west-northwest trend, compared to the main Gilbey's trend, which appears spatially related to a shale unit with the same or similar orientation. Never Never appears bound by north-south trending faults, however the full strike extent has not been fully tested at depth to the west.</li> <li>No orientation-based sampling bias has been identified in the data.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>Chain of custody is managed by Gascoyne Resources. Drill Samples are dispatched weekly from the Dalgaranga Gold Project site.</li> <li>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.</li> <li>DD core is transported directly to Perth at Gascoynes' core storage facility for mark up and logging. Core is processed by a third-party contractor for cutting and dispatch to the assay lab for analysis.</li> </ul>

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Criteria	Commentary
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>Data is validated by the Gascoyne DBA whilst loading into database. Any errors within the data are returned to relevant Gascoyne geologist for validation.</li> <li>Prior to interpretation and modelling, all data has been visually validated for erroneous surveys or collar pick-ups.</li> <li>Outlier logging intervals of marker horizon lithologies such as shales and veining are checked against chip trays or core photos.</li> <li>Core photos have been reviewed against logging and assays.</li> <li>Any fixed errors have been returned to the Gascoyne DBA to update the master data set.</li> <li>GCY's Monty Graham (Senior Exploration Geologist) was appointed Competent Person for Sampling Techniques, Exploration Results and Data Quality underpinning the Mineral Resource Estimate (MRE).</li> </ul>

## ***Section 2 Reporting of Exploration Results***

### ***Never Never Gold Deposit – Exploration Target***

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

Criteria	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Dalgaranga project is situated on Mining Lease Number M59/749 and the Gilbey's North - Never Never Gold Deposit is located on this lease.</li> <li>The tenement is 100% owned by Gascoyne Resources Limited.</li> <li>The tenements are in good standing and no known impediments exist.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>The tenement areas have been previously explored by numerous companies including BHP, Newcrest and Equigold.</li> <li>Previous Mining was carried out by Equigold in a JV with Western Reefs NL from 1996 – 2000.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>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 prospect 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.</li> <li>At the Sly Fox deposit gold mineralisation occurs in quartz veined and silica, pyrite, biotite altered schists.</li> <li>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.</li> <li>At Hendricks and Vickers gold mineralisation occurs in quartz-pyrite veined and altered zones hosted in basalts</li> </ul>

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Criteria	Commentary
	<ul style="list-style-type: none"> <li>The Never Never Gold Deposit appears to be an intersection between a significant lode structure and the mine sequence – the mineralisation plunges moderately to the west and is characterised by strong quartz – sericite – fucite alteration, with fine to very fine pyrite sulphide mineralisation. Visible gold has been logged in three diamond drill (DD) holes to date.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A total of 41,669 m of drilling from 551 drill holes was available for Geological Modelling and the MRE.               <ul style="list-style-type: none"> <li>Regolith and lithological interpretations were informed by DD, Reverse Cycle (RC), rotary air blast (RAB) and air core (AC) drilling data.</li> <li>Mineralisation interpretations used DD and RC drilling data only.</li> </ul> </li> <li>The dataset included 10,068 m of RC grade control drilling targeting the at surface laterite and oxide component of the deposit in preparation for mining. Reverse Cycle Grade Control (RCGC) drill hole spacing averaged 10 m x 7.5 m, with average vertical depths below surface of 50 m (oxide) and 10 m (laterite).</li> <li>Four orientations of RCGC were undertaken north-south, east-west, and north-east (local grid). The North-east drilling overlapped to confirm a fault offset and north-west mineralised trend associated with the Never Never deposit. Laterite drilling not targeting the main orebody was drilled vertically.</li> <li>The MRE includes 5,558 samples from 30,223 m of drilling including 417 RC holes and 8 DD / RCDD holes - 100% of drilling contained within the MRE has been completed since December 2021, therefore no legacy data issues are applicable.</li> <li>Collar details have been previously published by Gascoyne Resources</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>For the estimation of the Exploration target:               <ul style="list-style-type: none"> <li>The main HG01 shoot (containing both JORC-reportable IND+INF and non-reportable Mineral Inventory) was extended using Leapfrog Geo</li> <li>As with the Dec 2022 MRE, the extension volume was constrained by the bounding GN fault and NN fault.</li> <li>The lower bound grade and ounce target values used reflected the Dec 2022 MRE average for Never Never.</li> <li>The upper bound grade and ounce target values used reflected upside to volume based on the target extension WF, and is conservatively lower than the reportable Underground Resource for the Dec 2022 Never Never MRE.</li> <li>The target was supported by the eight deepest holes (listed in the release) currently drilled into Never Never, which average 29.9m @ 8.9g/t Au (average weighted grade)</li> </ul> </li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>The mineralised zones at Dalgara vary in strike between prospects, but all are relatively steeply dipping.</li> <li>Drill hole orientation reflects the change in strike of the stratigraphy over the deposit and consequently the downhole intersections quoted are believed to approximate true width unless otherwise stated in the announcement.</li> <li>Never Never Gold Deposit utilised various drilling orientations due to the variable strike orientation of the mineralised domains present. The drillholes orientated east/west in some instances may be drilling along strike rather than perpendicular, as resource definition confirmed the orientation of the mineralisation. However, subsequent analysis indicated this did not provide a biased impression of the mineralisation, as drilling orientated north-south confirmed the geometry and tenor</li> </ul>

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<b>Criteria</b>	<b>Commentary</b>
<b>Diagrams</b>	<ul style="list-style-type: none"><li>As shown in per announcement</li></ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"><li>Exploration results are not being reported. All related drilling results have been previously released to the market.</li></ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"><li>Not applicable.</li></ul>
<b>Further work</b>	<ul style="list-style-type: none"><li>Growth drilling focussed on Never Never commences in Feb 2023.</li><li>Other Never Never style targets are also scheduled to be drilled in the initial campaign.</li><li>An updated Never Never MRE is scheduled for the June Quarter 2023.</li><li>An application for an underground exploration drill drive from Gilbey's main pit to Never Never has been submitted to DiMRs with approvals expected by mid-2023.</li></ul>

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