

February 2nd, 2016
Australian Securities Exchange Limited
Via Electronic Lodgement

**HIGH GRADE GOLD INTERSECTED AT GOLDEN WINGS;
DALGARANGA PROJECT WESTERN AUSTRALIA**

- **Infill RC Resource Drilling at the Golden Wings deposit has returned broad high grade gold intersections.**
- **Significant gold intersections include;**
 - **12m @ 4.4 g/t gold from 121m, including 8m @ 5.9 g/t gold**
 - **8m @ 3.9 g/t gold from 72m to EOH, including 4m @ 6.5 g/t gold**
 - **14m @ 1.5 g/t gold from 126m to EOH, including 4m @ 3.1 g/t gold**
- **The new results are now being incorporated into an updated Mineral Resource for Golden Wings, which is expected to be reported in the coming weeks.**
- **The Dalgara Pre-Feasibility Study is continuing on schedule for completion in Q1 2016.**

Gascoyne Resources Limited ("Gascoyne" or "Company") is pleased to advise that it has received assay results from infill resource RC drilling of the Golden Wings deposit at the Company's 80% owned Dalgara Gold Project in the Murchison region of Western Australia. The Dalgara Gold Project contains a recently upgraded (ASX announcement November 4th, 2015) Measured, Indicated and Inferred Resource of **23.0Mt @ 1.4 g/t gold for 1.02 million ounces of contained gold** (see Figure 1&2).

Golden Wings RC drilling

RC resource drilling was completed in December 2015 at the Golden Wings deposit. The drilling was undertaken to confirm and extend the higher grade mineralisation previously identified. This new drilling is now being incorporated into an updated Mineral Resource for Golden Wings, which is expected to be completed in the next two weeks and integrated into the Pre Feasibility Study.

Results from the drilling confirm the Company's interpretation and are expected to impact positively on the updated Mineral Resource estimate. Significant intersections have been returned including **12m @ 4.4 g/t gold from 121m in DGRC063** including **8m @ 5.9 g/t gold** from 123m (see Figure 3&4), **8m @ 3.9 g/t gold from 72m to the EOH** in DGRC059 including **4m @ 6.5 g/t gold** and **14m @ 1.5 g/t gold from 126m to the EOH** in DGRC062 including **4m @ 3.1 g/t gold**. Below the deep weathering at Golden Wings mineralisation is associated with quartz carbonate and sulphide veined and sheared chlorite-sericite altered porphyry, schists and black shales. See attached tables and figures for details on these RC results.

Commenting on the high grade gold results, Gascoyne Managing Director Mike Dunbar stated *"It is very pleasing to have intersected wide and high grade mineralisation at Golden Wings confirming the Company's interpretation of a high grade plunging shoot. This bodes well for the PFS, which remains on schedule for completion by the end of the current quarter. The potential for near term development coupled with the recent discovery of a new mineralised shear at Hendricks, and the fact that the area has had next to no regional exploration in the last 20 years, means the Dalgara project is fast becoming one of the best undeveloped gold projects in the Murchison."*



AC Drilling Results

A significant number of Aircore assay results still remain to be received from exploration targets drill tested last month; drilling was also undertaken at the **Beefeater, Vickers and Gilbeys North** prospect areas. These results are expected to be available in the next few days.

Drill planning is well advanced in following up the recent new gold discovery made at the Hendricks prospect (**11m @ 2.2 g/t gold from 36m to the end of hole**) as announced to the ASX on the 14th January 2016.

Pre-Feasibility Study

The Dalganga Pre-Feasibility Study (PFS) is on schedule for completion in the current quarter. As mentioned above, once the Golden Wings Resource is updated it will be incorporated into the PFS.

The PFS is investigating the establishment of a 2.5Mtpa processing plant on site, which recent pit optimisations suggest will result in production of approximately 100,000ozpa for 6-7 years (see ASX Announcement 19th January 2016).

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

Table 2 Golden Wings Significant RC Drilling Results (0.5 g/t gold cutoff)

Hole ID	Deposit	From (m)	To (m)	Interval (m)	Au Grade g/t
DGRC059	Golden Wings	39	44	5	0.62
		59	60	1	1.2
		72	80 EOH	8	3.9
	includes	76	80 EOH	4	6.5
DGRC060	Golden Wings	50	54	4	1.8
		78	79	1	0.50
DGRC061	Golden Wings	99	100	1	0.92
		134	139	5	0.81
	includes	134	135	1	2.5
DGRC062	Golden Wings	49	50	1	0.94
		67	68	1	0.70
		126	140 EOH	14	1.5
	includes	134	138	4m	3.1
DGRC063	Golden Wings	77	78	1	0.56
		85	88	3	1.2
		93	95	2	1.2
		115	116	1	2.0
		121	133	12	4.4
	includes	123	131	8	5.9
DGRC064	Golden Wings	37	40	3	2.5
DGRC065	Golden Wings	39	40	1	0.63
DGRC066	NSA				
DGRC067	Golden Wings	52	53	1	1.8
DGRC068	Golden Wings	73	75	2	1.8
		98	100 EOH	2	2.2
DGRC069	Golden Wings	30	32	2	1.1
		153	154	1	1.2

Table 3 Drill Hole Collar Table for RC drilling at Golden Wings

Deposit	Hole_ID	Depth	GDA East	GDA North	RL	Dip	Azimuth
Golden Wings	DGRC059	80	529131	6922541	428	-60	180
Golden Wings	DGRC060	80	529255	6922589	428	-60	180
Golden Wings	DGRC061	140	529228	6922619	428	-60	180
Golden Wings	DGRC062	140	529190	6922615	428	-60	180
Golden Wings	DGRC063	135	529212	6922603	428	-60	180
Golden Wings	DGRC064	50	529073	6922488	428	-60	180
Golden Wings	DGRC065	69	529069	6922507	428	-60	180
Golden Wings	DGRC066	45	529110	6922490	428	-60	180
Golden Wings	DGRC067	70	529104	6922513	428	-60	180
Golden Wings	DGRC068	100	529100	6922538	428	-60	180
Golden Wings	DGRC069	180	529142	6922606	428	-60	180

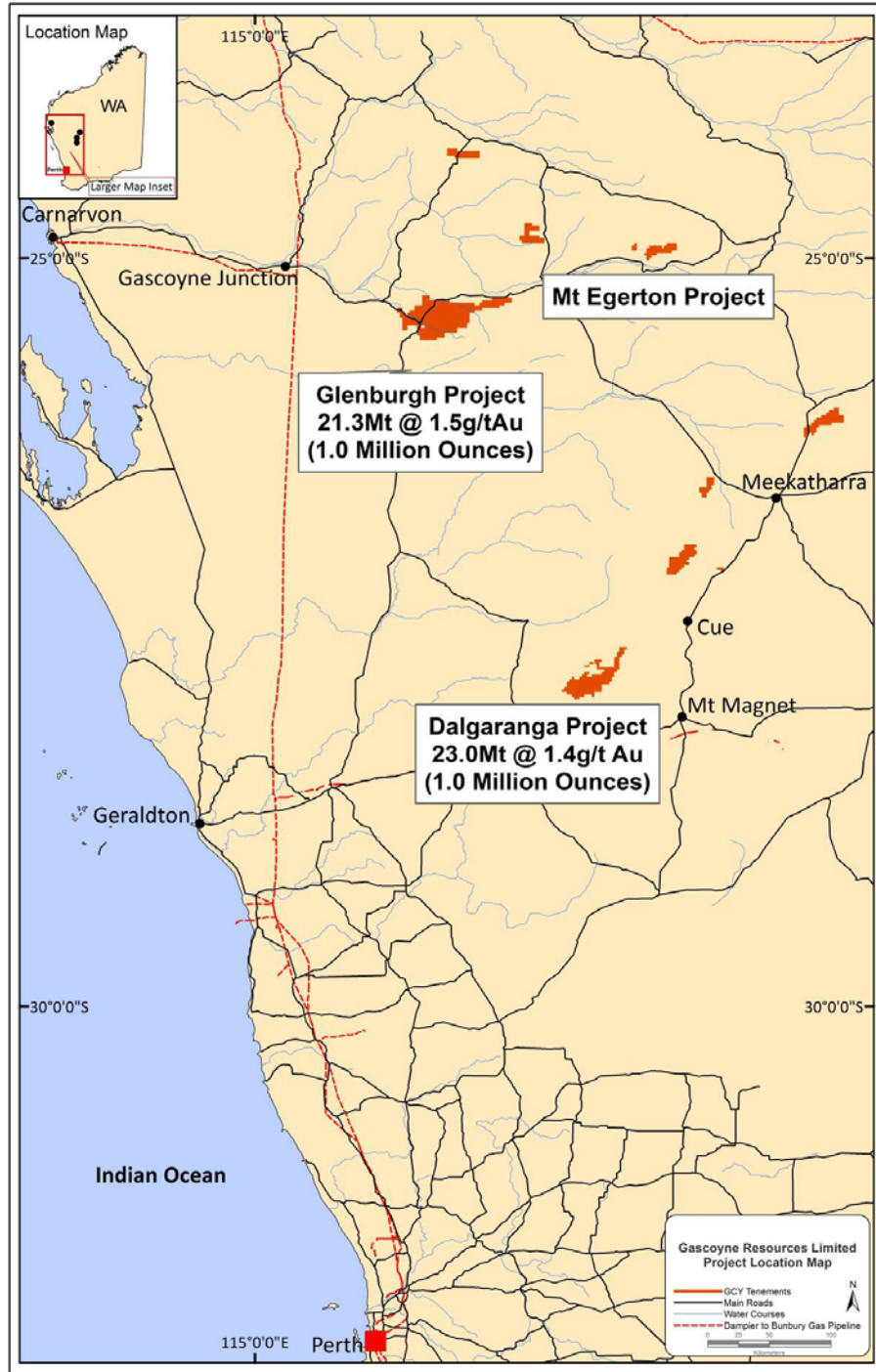


Figure One: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

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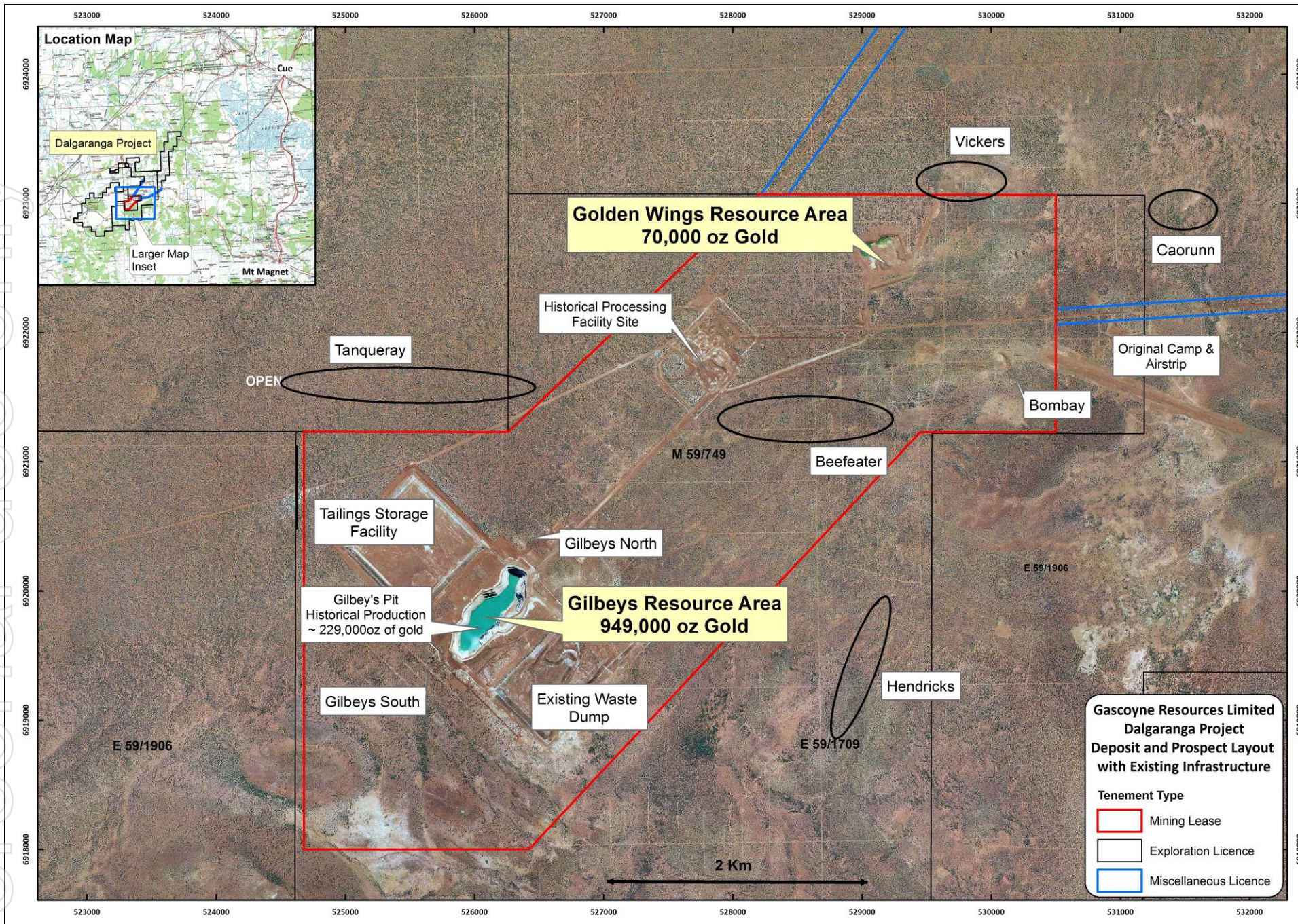


Figure Two: Plan of Dalgara Deposits and Prospect Location

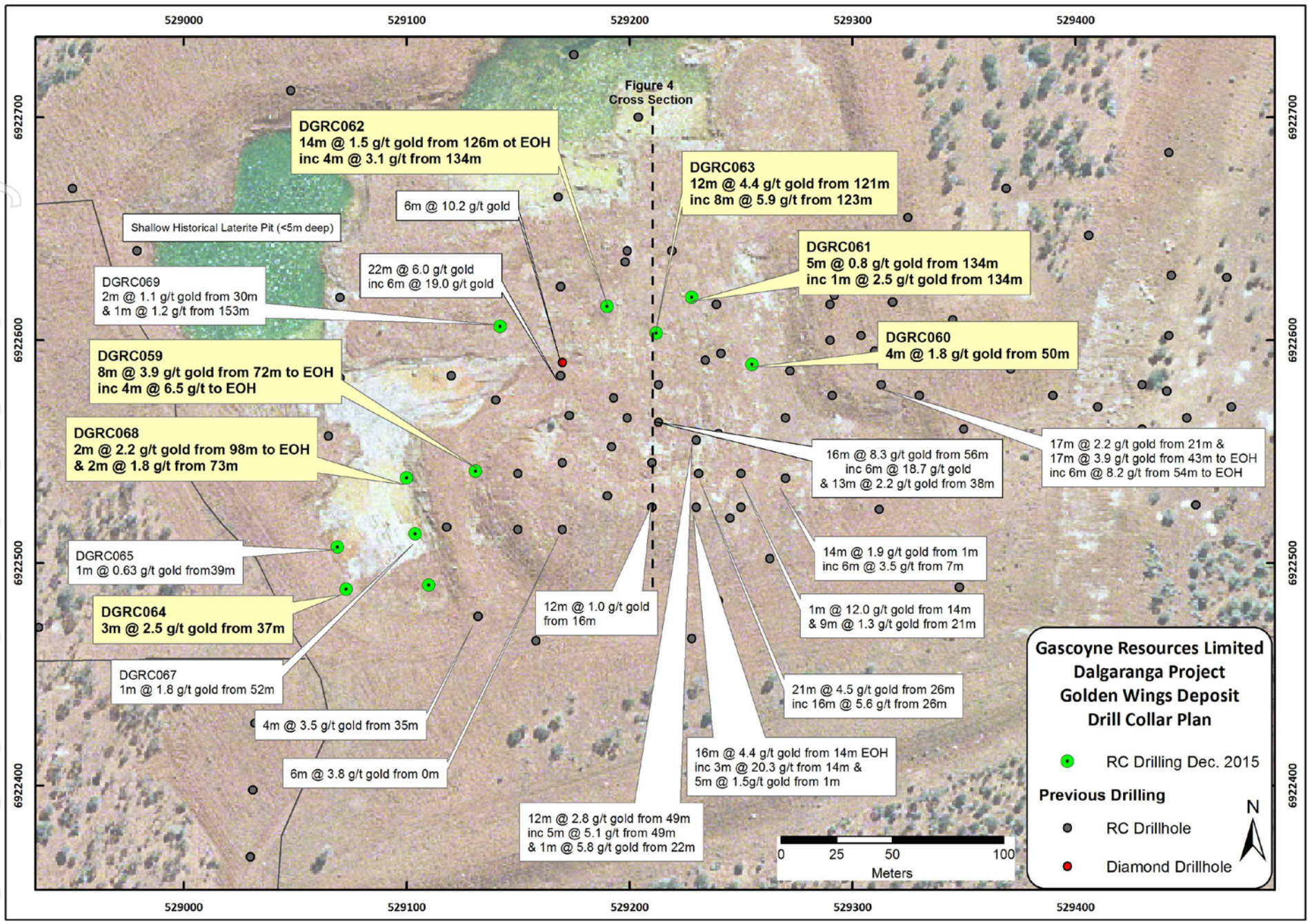


Figure Three: Collar Plan of the Golden Wings Deposit

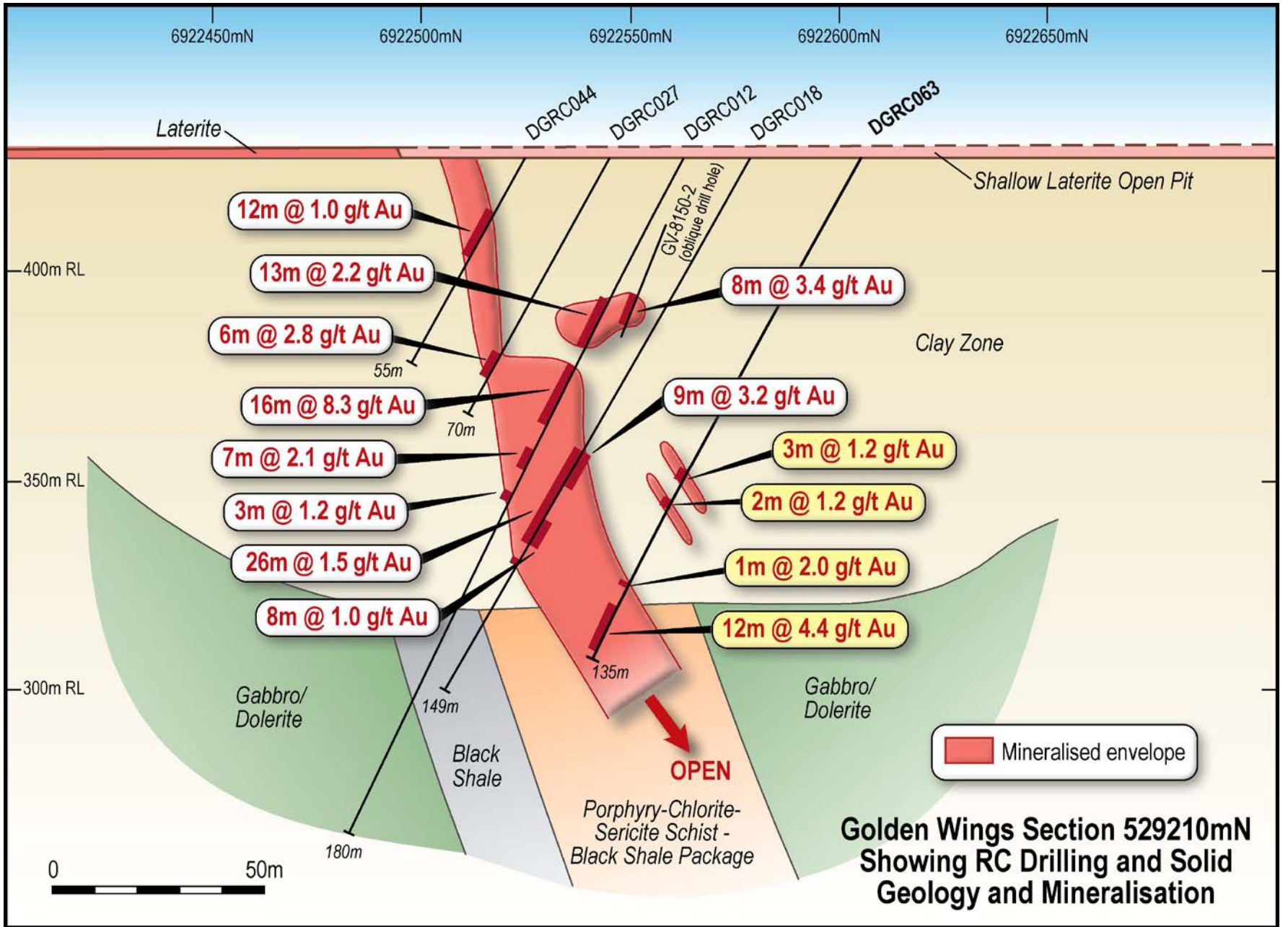


Figure Four: Golden Wings RC Section 529210E showing drill intersections, geology and mineralisation: note new RC Hole DGRC063

BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited was listed on the ASX in December 2009 and is focused on exploration and development of a number of gold projects in Western Australia.

The Company's two main gold projects combined have **2.0 million ounces of contained gold on granted Mining Leases:**

DALGARANGA (80% GCY):

The Dalgaranga project is located approximately 65km by road NW of Mt Magnet in the Murchison gold mining region of Western Australia and covers the majority of the Dalgaranga greenstone belt. After discovery in the early 1990's, the project was developed and from 1996 to 2000 produced 229,000 oz's of gold with reported cash costs of less than \$350/oz.

The project contained a JORC Measured, Indicated and Inferred resources of **23.0 Mt @ 1.4g/t Au for 1,019,000 ounces** of contained gold (see Table 1).

A PFS study is currently underway on the project, investigating development of two open pits feeding a 2.5Mtpa processing facility resulting in production of around 100,000ozpa for 6-7 years. Optimisation studies have suggested that the operation would be a low cost, high margin and long life operation with operating margins of between \$500 and \$600/oz. The PFS is on schedule for completion in the March quarter of 2016.

Significant exploration potential also remains outside the known resource with numerous historical geochemical prospects only partly tested. The Golden Wings deposit is also open along strike and at depth.

**Table One: Dalgaranga Deposits
Mineral Resource Estimate**

Type	Measured			Indicated			Inferred			Total		
	tonnes Mt	Au g/t	Au Ounces	tonnes Mt	Au g/t	Au Ounces	tonnes Mt	Au g/t	Au Ounces	tonnes Mt	Au g/t	Au Ounces
Golden Wings				0.85	2.0	52,400	0.35	1.5	17,400	1.2	1.8	70,000
Gilbeys	2.4	1.4	108,000	8.1	1.3	349,000	11.2	1.4	492,000	21.8	1.4	949,000
Total	2.4	1.4	108,000	9.0	1.4	401,000	11.6	1.4	509,000	23.0	1.4	1,019,000

Note: Totals may differ due to rounding

Mineral Resources reported on a dry basis

Gilbeys Resource – October 2015 (0.5g/t and 1.0g/t cut-off) and Golden Wings Resource June 2015 (1.0 g/t cut-off)

GLENBURGH (100% GCY):

The Glenburgh Project in the Gascoyne region of Western Australia, has a Measured, Indicated and Inferred resource of: **21.3 Mt @ 1.5g/t Au for 1.0 million oz gold** from several prospects within a 20km long shear zone (see Table 2)

A preliminary feasibility study on the project has been completed (see announcement 5th of August 2013) that showed a viable project exists, with a production target of 4.9mt @ 2.0g/t for 316,000oz (70% Indicated and 30% Inferred resources) within 12 open pits and one underground operation. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The study showed attractive all in operating costs of under A\$1,000/oz and indicated a strong return with an operating surplus of ~ A\$160M over the 4+ year operation. The study included approximately 40,000m of resource drilling, metallurgical drilling and testwork, geotechnical, hydro geological and environmental assessments. Importantly the study has not included the drilling completed during 2013, which intersected significant shallow high grade zones at a number of the known deposits.

**Table Two: Glenburgh Deposits - Area Summary
2014 Mineral Resource Estimate (0.5g/t Au Cut-off)**

Area	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Icon	1.7	1.5	82,500	1.7	1.4	77,000	4.1	1.3	168,000	7.6	1.3	328,000
Apollo	0.9	2.4	67,400	0.3	1.3	14,000	1.5	1.4	67,000	2.7	1.7	149,000
Tuxedo				0.7	1.2	29,000	1.2	1.0	37,000	1.9	1.1	66,000
Mustang				0.2	1.3	7,000	1.0	1.1	35,000	1.1	1.2	42,000
Shelby				0.2	1.4	10,000	0.6	1.1	21,000	0.8	1.2	32,000
Hurricane				0.1	1.6	3,000	0.5	1.1	16,000	0.5	1.2	19,000
Zone 102				0.9	1.9	56,000	1.2	1.3	50,000	2.1	1.6	106,000
Zone 126	0.2	4.0	30,500	0.4	2.9	35,000	1.4	2.2	101,000	2.0	2.5	166,000
NE3							0.2	1.5	11,000	0.2	1.5	11,000
Torino							1.6	1.3	64,000	1.6	1.3	64,000
SW Area							0.6	1.0	20,000	0.6	1.0	20,000
Total	2.9	2.0	180,500	4.6	1.6	232,000	13.9	1.3	591,000	21.3	1.5	1,003,000

Note: Discrepancies in totals are a result of rounding

EGERTON (100% GCY)

The project includes the high grade Hibernian deposit which contains a resource of **116,400 tonnes @ 6.4 g/t gold for 24,000 ounces** in the Measured, Indicated and Inferred JORC categories (Table 3). The deposit lies on a granted mining lease and previous drilling includes high grade intercepts, **2m @ 147.0 g/t gold, 5m @ 96.7 g/t gold and 5m @ 96.7 g/t gold** associated with quartz veining in shallow south-west plunging shoots. The Hibernian deposit has only been drill tested to 70m below surface and there is strong potential to expand the current JORC Resource with drilling testing deeper extensions to known shoots and targeting new shoot positions.

Table Three: Egerton Project: Hibernian Deposit Mineral Resource (2.0g/t Au Cut-off)

Classification	Tonnes	Au g/t	Au Ounces
Measured Resource	32,100	9.5	9,801
Indicated Resource	46,400	5.3	7,841
Inferred Resource	37,800	5.1	6,169
Total	116,400	6.4	23,811

Gascoyne is continuing to evaluate the Glenburgh gold deposits to delineate meaningful increases in the resource base and progress project permitting, while also continuing to explore the Dalgarranga project with the view to moving towards a low capital cost development as rapidly as possible. The Company also has 100% ownership of the high grade Egerton project; where the focus has been to assess the economic viability of trucking high grade ore to either Glenburgh or to another processing facility for treatment and exploration of the high grade mineralisation within the region.

Further information is available at www.gascoyneresources.com.au

Competent Persons Statement

Information in this announcement relating to the Dalgarranga project is based on data compiled by Gascoyne's Geology Manager Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Goldsworthy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Goldsworthy consents to the inclusion of the data in the form and context in which it appears. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated October 19th titled: High Priority Targets Identified at Dalgarranga

The Gilbeys Mineral Resource at the Dalgarranga and Glenburgh Projects have been estimated by RungePincockMinarco Limited, an external consultancy, and are reported under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (see GCY-ASX announcement 4th November 2015 titled: Dalgarranga Mineral Resource Grows to Over One Million Ounces and ASX announcement 24th July 2014 titled: High Grade Domains Identified Within Updated Glenburgh Gold Mineral Resource). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcements.

The Golden Wings resources have been estimated by Elemental Geology Pty Ltd, an external consultancy, and are reported under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (see GCY - ASX announcement 23rd June 2015 titled: Dalgarranga Scoping Study Outlines low cost / high margin development). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcements.

The Glenburgh 2004 JORC resource (released to the ASX on April 29th 2013) which formed the basis for the preliminary Feasibility Study was classified as Indicated and Inferred and as a result, is not sufficiently defined to allow conversion to an ore reserve; the financial analysis in the preliminary Feasibility Study is conceptual in nature and should not be used as a guide for investment. It is uncertain if additional exploration will allow conversion of the Inferred resource to a higher confidence resource (Indicated or Measured) and hence if a reserve could be determined for the project in the future. Production targets referred to in the preliminary Feasibility Study and in this report are conceptual in nature and include areas where there has been insufficient exploration to define an Indicated mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. This information was prepared and first disclosed under the JORC Code 2004, the resource has now been updated to conform with the JORC 2012 guidelines. This new JORC 2012 resource, reported above, will form the basis for any future studies.

The Egerton Resource estimate and Gaffney's Find prospect historical exploration results have been sourced from Exterra Resources annual reports and other publicly available reports which have undergone a number of peer reviews by qualified consultants, who conclude that the resources comply with the JORC code and are suitable for public reporting. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. 	<ul style="list-style-type: none"> The deposits and prospects has 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. .
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<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 the analysis of field duplicates and the insertion of appropriate commercial standards. Based on statistical analysis of these results, there is no evidence to suggest the samples are not representative.
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> RC drilling was used to obtain 1m samples which were split by either cone or riffle 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 25g Fire Assay. Where anomalous results were detected, the single metre samples were collected for subsequent analysis, also via 25g Fire 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. The diamond drilling was undertaken as diamond tails to the recently completed RC holes. One of the holes was HQ (to allow metallurgical samples to be collected) the last two are NQ. The NQ holes will be sampled by ½ core sampling while the HQ hole will be ¼ core sampled. The samples are assayed using 50g charge fire assay with an AAS finish.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<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 undertaken as diamond tails to the recently completed RC holes. One of the holes was HQ (to allow metallurgical

Criteria	JORC Code explanation	Commentary
		samples to be collected) the last two are NQ.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<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 no core loss identified.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform sample and these were routinely cleaned. AC samples were visually checked for recovery moisture and contamination. A cyclone was used and routinely cleaned. 4m composites were speared to obtain the most representative sample possible. Diamond drilling was undertaken and the core measured and orientated to determine recovery, which was generally 100%
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sample recoveries are generally high. No significant sample loss has been recorded with a corresponding increase in Au present. Field duplicates produce consistent results. No sample bias is anticipated, and no preferential loss/gain of grade material has been noted. 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.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<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"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> RC and AC chip logging recorded the lithology, oxidation state, colour, alteration and veining. The Diamond core photographed tray by tray wet and dry.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All current drill holes are logged in full.
Sub-sampling techniques and sample	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Diamond drilling completed by Gascoyne Resources on the tenement has been ½ core (for NQ) 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.

Criteria	JORC Code explanation	Commentary
preparation	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	<ul style="list-style-type: none"> RC chips were riffle or cone split at the rig. AC samples were collected as 4m composites (unless otherwise noted) using a spear of the drill spoil. Samples were generally dry. 1m AC resamples are riffle split or speared.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> 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.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> Field QAQC procedures included the insertion of 4% certified reference 'standards' and 2% field duplicates for RC and AC drilling. Diamond drilling has 4% certified standards included.
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 	<ul style="list-style-type: none"> Field duplicates were collected during RC and AC 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"> Whether sample sizes are appropriate to the grain size of the material being 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"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> All RC samples were analysed using a 25g charge Fire Assay with an AAS finish which is an industry sample for gold analysis. A 25g aqua regia digest with an MS finish has been used for AC samples. Aqua regia can digest many different mineral types including most oxides, sulphides and carbonates but will not totally digest refractory or silicate minerals. Historically the samples have been analysed by both aqua regia digest and a leachwell process. Significant differences were recorded between these analytical techniques. The diamond sampling will be assayed using fire assay with a 50g charge and an AAS finish, additional quartz washes of the grinding mills is undertaken by the lab, before and after samples which contain visible gold
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their 	<ul style="list-style-type: none"> No geophysical tools etc. have been used at Dalgaranga.

Criteria	JORC Code explanation	Commentary
	<p><i>derivation, etc.</i></p> <ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Field QAQC procedures include the insertion of both field duplicates and certified reference 'standards'. Assay results have been satisfactory and demonstrate an acceptable level of accuracy and precision. Laboratory QAQC involves the use of internal certified reference standards, blanks, splits and replicates. Analysis of these results also demonstrates an acceptable level of precision and accuracy.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> 	<ul style="list-style-type: none"> At least 3 company personnel verify all intersections.
	<ul style="list-style-type: none"> <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> No twinned holes have been drilled to date by Gascoyne Resources.
	<ul style="list-style-type: none"> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> Field data is collected using Field Marshal software on tablet computers. The data is sent to Mitchell River Group for validation and compilation into an SQL database server
	<ul style="list-style-type: none"> <i>Discuss any adjustment to assay data.</i> 	<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"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	<ul style="list-style-type: none"> At this stage drill collars have been surveyed by hand held GPS to an accuracy of about 3m. The RC and diamond drill holes will be picked up by DGPS in the future. A down hole survey was taken at least every 30m in RC holes by electronic multishot tool by the drilling contractors. Gyro surveys have been undertaken on selected holes to validate the multi shot surveys
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> The grid system is MGA_GDA94 Zone 50
	<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The topographic surface has been sourced from historic data used during the operation of the mine. It is considered to be of sufficient quality to be valid for this stage of exploration.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results</i> 	<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 and within 25m – 100m of an existing hole.
	<ul style="list-style-type: none"> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral</i> 	<ul style="list-style-type: none"> The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and

Criteria	JORC Code explanation	Commentary
	<p><i>Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <ul style="list-style-type: none"> <i>Whether sample compositing has been applied.</i> 	<p>Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.</p> <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 riffle split samples were collected for subsequent analysis. 4m composite samples were collected during AC drilling and where anomalous results were detected single metre riffle split or speared samples were collected for subsequent analyses.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	<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 -60° which is close to perpendicular to the dip of the stratigraphy.
	<ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> No orientation based sampling bias has been identified in the data at this point.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Chain of custody is managed by Gascoyne Resources. RC Samples are delivered daily to the Toll depot in Mt Magnet by Gascoyne Resources personnel. Toll delivers the samples directly to the assay laboratory in Perth. In some cases company personnel have deliver the samples directly to the lab. Diamond drill core is transported directly to Perth for cutting and dispatch to the assay lab for analysis.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Data is validated by Mitchell River Group whilst loading into database. Any errors within the data are returned to Gascoyne Resources for validation.

Section 2 Reporting of Exploration Results: Dalgaranga Project

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> 	<ul style="list-style-type: none"> Dalgaranga project is situated on tenement numbers M59/749 ,E59/1709, E59/1904, E59/1905, E59/1906 The tenement is currently held under a JV arrangements with Mr Jaime McDowell and Murchison Gold Mines Pty Ltd, Gascoyne Resources has an 80% interest in the tenements.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The tenements are in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The tenement areas has been previously explored by numerous companies including BHP, Newcrest and Equigold. Mining was carried out by Equigold in a JV with Western Reefs NL from 1996 – 2000.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<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. Gold mineralisation at the Gilbeys deposit is associated with quartz-pyrite-carbonate veins within a sheared porphyry-shale package and also occurs in the overlying weathered profile. At Golden Wings gold mineralisation is associated with sericite-chlorite-quartz schist after mafic rocks or sediments and quartz-pyrite-arsenopyrite plunging lodes within biotite-sericite-carbonate-pyrite schist.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p> 	<ul style="list-style-type: none"> The recent Air Core (AC) drill holes are being reported in this announcement. See body of the text for sample results, collar coordinates and survey (azimuth, RL and dip) information in tables
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	<ul style="list-style-type: none"> All reported assays have been length weighted if appropriate. No top cuts have been applied. A nominal 0.2ppm Au lower cut off has been applied.
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of 	<ul style="list-style-type: none"> High grade Au intervals lying within broader zones of Au mineralisation are reported as included intervals. In calculating the zones of mineralisation a maximum of 4 metres of internal dilution is

Criteria	JORC Code explanation	Commentary
	<p><i>such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<p>allowed unless otherwise noted.</p> <ul style="list-style-type: none"> No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	<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. The Gilbeys deposit strikes around 45⁰ to the north east and dips west at approximately 70-80⁰
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to figures within body of text.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Results from all holes where assays have been received are included in this announcement.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> No other significant exploration work had been completed by Gascoyne Resources.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> 	<ul style="list-style-type: none"> Dalgaranga will continue to be drilled to extend the current resource at Gilbeys and delineate further resources at Golden Wings and other prospects including following up the significant results from the Hendricks prospect.
	<ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Refer to figures in body of text.