

4th June 2010

Australian Stock Exchange Limited
Via Electronic Lodgement

APPROVALS FOR GLENBURGH DRILLING RECEIVED

- Heritage survey has been completed over the planned drill sites
- The Program of works (POW) has been approved by the Department of Mines and Petroleum
- Drill contractor has been engaged and is scheduled to commence drilling at Glenburgh in the 3rd week of June

Gascoyne Resources is pleased to announce that all the approvals required for the drilling program at Glenburgh have been received. Boart Longyear has been contracted to undertake the drilling which is expected to commence within the next three weeks.

The Ethnographic Survey, with the Wadjarri Yamatji Native Title Representatives, which was the last approval to be received, found no new sites or areas of cultural heritage significance. As a result the claimants have given heritage clearance for the program to commence.

The POW, has also been approved by the Department of Mines and Petroleum.

WORK PROGRAM DETAILS:

The drilling has been designed to test the extensions of the three main deposits. A brief description of the target at each of the zones is outlined below:

Icon Deposit - Eastern Extension

The eastern most line of drilling at the Icon Deposit intersected the widest and some of the highest grade within the deposit. The previous drilling intersected 26m @ 3.31g/t Au from 112m in VRC351. There is no drilling to the east along strike from the VRC351

At this width of the mineralised zone in the Icon Deposit, there is the potential to add in the order of 20,000 - 30,000oz of gold for every 50m of additional strike length that can be added to the deposit





(**). As a result, the Extensions of Icon provide the highest priority target to add significant ounces to the project resource base.

The drilling is planned to test the projected lode position for at least 150m further to the east, towards the Victoria Bore Fault (see Figure 1).

Apollo Deposit - South West Extension

The Apollo deposit trends towards the south west and plunges at approximately 15° towards the Victoria Bore fault. No drilling has been completed west of the fault within approximately 250m of the expected lode position (see Figure 1). The closest drill hole to the direct extension of the Apollo lode is ~300m west of the fault, and intersected 6m @ 5.9g/t Au (from 106m in VRC287). A total of three drill holes have been planned to test the zone between VRC287 and the Victoria Bore fault.

Zone 102 - Eastern Extension

The last drill program at Zone 102 intersected some of the best intersections within the zone. The eastern most intersections which remain open to the east, produced 8m @ 9.6 g/t Au and 16m @ 3.8 g/t Au from 112 and 64m within VRC391 and VRC390 respectively. Two step out holes are planned 50m further east. For every 50 m that the mineralisation can be extended could add between 10,000 and 15,000 oz of Au to the project resource base (**). While widths of the mineralised zone at Zone 102 are not as significant as Icon, the grade of the eastern deposits appears to be higher than the global resource average. As a result Zone 102 provides high potential to add to the resource base.

Further results and information will be provided as they become available.

Gordon Dunbar
Managing Director

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's General Manager Mr Mike Dunbar and who is a member of The Australasian Institute of Mining and Metallurgy. Mr Dunbar 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 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dunbar consents to the inclusion of the data in the form and context in which it appears.

(**) - The exploration target size is not a resource estimate and there is no certainty that future exploration will upgrade the current resource base.



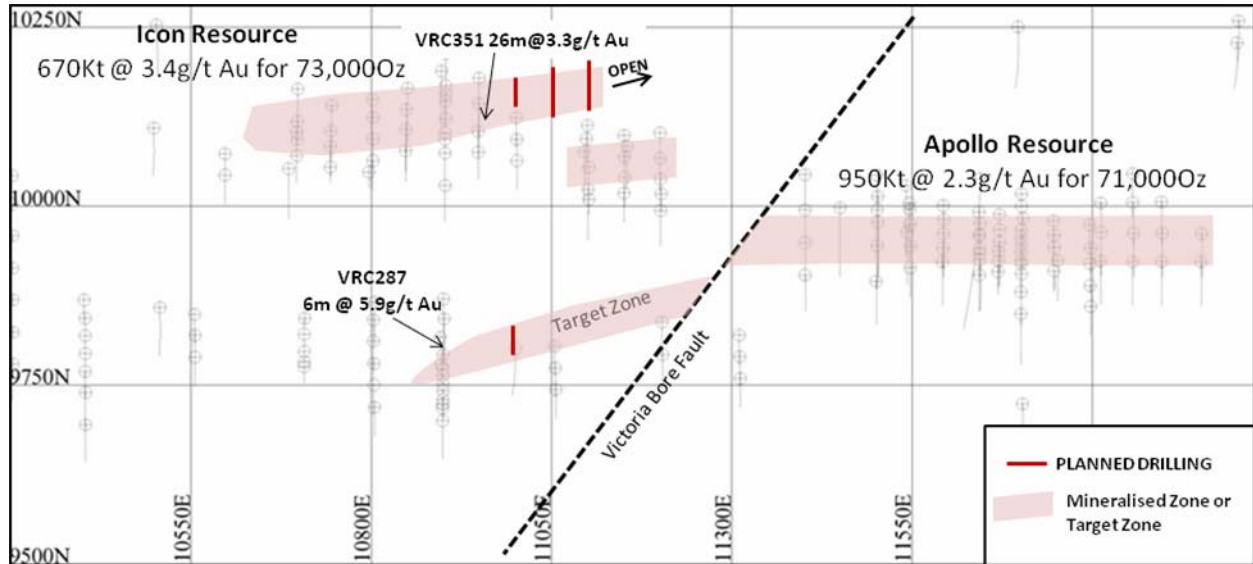


Figure 1: Drill Collar Plan at Apollo and Icon showing the surface projection of the mineralised zones (or target zones) and the proposed drill lines.



BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited was listed on the ASX in December 2009 following the amalgamation of the gold assets of Helix Resources Limited and Giralia Resources NL in the Gascoyne Region and a capital raising. Both Helix and Giralia have distributed in-specie 80% of their shareholding in Gascoyne to their shareholders.

Gascoyne Resources is endowed with

- the Glenburgh Project that has an inferred resource estimate of: 2.4Mt @ 2.6g/t Au for 203,000oz gold from several prospects within a 20km long shear zone.
- Advanced exploration projects at Mt James where drilling has outlined a +1 g/t Au mineralisation over at least 2.5km strike within a 300m thick package of sheared mafic amphibolites and BIFs: and at Bustler Well where previous RC drilling returned narrow high grade intersections including 1m @ 37.4g/t Au, 2m @ 9.08 g/t Au and 3m @ 7.62 g/t Au from a 150m long quartz-shear lode.
- Untested soil geochemical anomalies at Bassit Bore ready to be drilled.

Gascoyne Resources' immediate primary focus is to continue the evaluation of the Glenburgh gold deposits to delineate meaningful increases in the resource base and to identify and test additional targets in the Glenburgh mineralised system and to explore for additional gold resources on the exploration properties. Success in these activities is expected to lead to the development of a gold project based on the Glenburgh gold deposits.

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

