

29th June 2011
Australian Stock Exchange Limited
Via Electronic Lodgement

DRILLING EXTENDS NEW "SOUTH WESTERN" DISCOVERY AT GLENBURGH

HIGHLIGHTS:

- Wide spaced RAB drilling at the new south western target area has extended the zone of shallow gold mineralisation to over 3,000m, along strike from the initial intersection of 28m @ 1.2 g/t (including 8m @ 3.2 g/t) reported on 6th June.
- Recent results include:
 - **8m @ 1.1 g/t Au from surface, including 4m @ 1.9 g/t from 4m in GLR590**
 - **4m @ 2.1 g/t Au from 32m in GLR606**, more than 1,500 metres from the discovery hole.
- RC drilling scheduled to start in the first week of July

Gascoyne Resources Limited is pleased to announce that RAB drilling has extended the mineralisation at the south western target zone at the Company's 100% owned Glenburgh Gold project in Western Australia.

The RAB drilling results along with the results announced earlier in June, highlights not only the potential for significant resource growth above the current inferred resource of 360,000 ounces of gold at the known gold deposits, but also the scope for the Glenburgh project to host significant new discoveries.

These results are from the last RAB holes drilled in the recent drill program that was completed in the first week of June.

South West Target Zone:

As announced on 6th June, RAB drilling, 4,000 m to the south west of the Icon resource area intersected significant gold mineralisation including 28m @ 1.2g/t Au including 8m @ 3.2g/t Au.

Additional RAB drilling along strike from this discovery has extended the zone of shallow mineralisation further to the south west. The mineralisation can now be traced over a distance of more than 3,000m. The results include 8m @ 1.1 g/t Au from surface including 4m @ 1.9g/t from 4m downhole in GLR590, 4m @ 2.1 g/t Au from 32m in GLR606 and 2m @ 0.8 g/t Au from 48m to the end of the hole in GLR621. See Figure one and two.

A list of new significant intersections is contained in Table 1 and the drill hole locations and details are in Table 2. These details are also presented in Figure two.



The current drill spacing is very broad, with a drill line spacing of 200m and hole spacing along the line of 25m. The holes have been inclined at 60° to the local grid south and have an average depth of 36m.

The drilling has identified two sub parallel mineralised trends that extend approximately 3,000m. The results to date suggest that the southern trend is higher grade and more consistent, however this is only based on shallow RAB drilling and more detailed exploration is required on both trends to fully evaluate the area.

These results returned greater widths and grade than the historical drilling, which had intersected up to 4m @ 1.1 g/t Au from 32m in GLR 206 and 10m@0.6 g/t Au from 20m to the end of hole.

Given the higher grade portion of the southern trend now extends for over 1,600m, there is potential for the area to host a significant resource.

RC and further follow up air-core drilling is planned for the area, with the RC expected to be completed in early July.

Shelby East:

A total of 41 holes were drilled along strike from the Shelby deposit to test the strike potential of the mineralised trend.

The drilling identified two zones of anomalism, including 2m @ 0.25g/t Au from 8m to the end of the hole in GLR655 and 4m @ 0.12g/t Au from surface in GLR664. However due to the average depth of the holes being only 15 metres, the area remains under tested.

Additional shallow auger sampling of the area is being planned to better identify the mineralised trends, prior to additional drilling in the area.

A list of significant intersections received to date is contained in Table 1 and the drill hole locations and details are in Table 2.

Forward Program:

As outlined in the last announcement (released on the 2nd of June), the forward program includes:

- RC drilling of approximately 5,000 to 8,000m to test the down dip, down plunge and strike extensions of the known deposits.
- Initial RC drilling at the South West Target.

As well as the continuing drilling programs, the scoping study is progressing well and is expected to be completed in the next three months.

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

*On behalf of the Board of
Gascoyne Resources Ltd*



Michael Dunbar
Managing Director

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's Managing Director Mr Michael Dunbar 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 drilling was conducted using RAB and aircore drilling with samples being collected at one metre intervals and 4m composite sample taken by spear sampling. The subsample of approximately 2-4 kg was sent to Lab West Pty Ltd in Perth Western Australia. The sample was fully pulverized and analysed for gold using a 25 gram aqua-regia digest and ICPMS determination to a 0.5ppb Au detection limit by Lab West Pty Ltd, in Perth. Full analytical quality assurance – quality control (QA/QC) is achieved using a suite of certified standards, laboratory standards, laboratory duplicate, repeats and blanks.

The spatial location of the samples is derived using surveyed local grid co-ordinates, GPS collar survey pickups. .

Intersections have been reported using a 0.2g/t cutoff and allowance for up to 4m of internal waste. Some intersections have not been reported if they are single composite intersections or are not considered to be significant due to their isolated position compared to other intersections.

True widths have not been determined as the level of detail needed to calculate accurate true widths is not yet available, as a result down hole widths have been reported, however true widths are not expected to significantly change from the down hole widths.

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 of Western Australia.

Gascoyne Resources is endowed with

- 100% of the Glenburgh Project in Western Australia, which has an inferred resource of: 7.2Mt @ 1.6g/t Au for 360,000oz gold from several prospects within a 20km long shear zone. Considerable resource growth potential exists around the deposits as well as at regional targets that have had limited exploration over the last 15 years.
- 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

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Table 1: Recent Significant RAB Drill Intersections

hole	from	to	interval	Au g/t	Comments
GLR560	4	25	21	0.4	
inc	8	20	12	0.5	
GLR562	12	25	13	0.2	EOH
GLR564	8	17	9	0.2	EOH
inc	16	17	1	0.4	
GLR569	8	16	8	0.2	
GLR585	20	32	12	0.3	
GLR590	0	8	8	1.1	
inc	4	8	4	1.9	
GLR591	0	12	12	0.2	
GLR593	8	16	8	0.4	
GLR594	8	12	4	0.8	
GLR596	24	33	9	0.4	EOH
GLR603	40	44	4	0.3	
GLR606	32	36	4	2.1	
GLR611	24	27	3	0.2	EOH
GLR621	48	50	2	0.8	EOH
GLR628	16	32	16	0.2	
GLR629	12	24	12	0.3	
GLR640	0	4	4	0.6	
GLR642	28	36	8	0.4	
GLR655	8	10	2	0.2	EOH

Table 2: RAB Drill Hole Locations and Details

Hole #	National East (GDA)	National North (GDA)	Local East	Local North	Depth	Prospect
GLR559	406392	7188212	6800	8525	20	SW AREA
GLR560	406382	7188235	6800	8550	25	SW AREA
GLR561	406371	7188258	6800	8575	20	SW AREA
GLR562	406361	7188280	6800	8600	25	SW AREA
GLR563	406351	7188303	6800	8625	26	SW AREA
GLR564	406340	7188326	6800	8650	17	SW AREA
GLR565	406330	7188349	6800	8675	12	SW AREA
GLR566	406319	7188371	6800	8700	12	SW AREA
GLR567	406309	7188394	6800	8725	17	SW AREA
GLR568	406298	7188417	6800	8750	23	SW AREA
GLR569	406288	7188439	6800	8775	30	SW AREA
GLR570	406277	7188462	6800	8800	28	SW AREA
GLR571	406267	7188485	6800	8825	36	SW AREA
GLR572	406256	7188508	6800	8850	31	SW AREA
GLR573	406246	7188530	6800	8875	18	SW AREA
GLR574	406236	7188553	6800	8900	30	SW AREA
GLR575	406050	7188000	6400	8475	19	SW AREA
GLR576	406039	7188022	6400	8500	12	SW AREA
GLR577	406029	7188045	6400	8525	12	SW AREA
GLR578	406019	7188068	6400	8550	12	SW AREA
GLR579	406008	7188090	6400	8575	10	SW AREA
GLR580	405998	7188113	6400	8600	14	SW AREA
GLR581	405987	7188136	6400	8625	19	SW AREA
GLR582	405935	7188249	6400	8750	21	SW AREA
GLR583	405924	7188272	6400	8775	28	SW AREA
GLR584	405914	7188295	6400	8800	39	SW AREA
GLR585	405904	7188318	6400	8825	40	SW AREA
GLR586	405893	7188340	6400	8850	36	SW AREA
GLR587	405883	7188363	6400	8875	40	SW AREA
GLR588	405872	7188386	6400	8900	45	SW AREA
GLR589	405666	7187878	6000	8525	27	SW AREA
GLR590	405655	7187901	6000	8550	23	SW AREA
GLR591	405645	7187923	6000	8575	28	SW AREA
GLR592	405634	7187946	6000	8600	25	SW AREA
GLR593	405624	7187969	6000	8625	26	SW AREA
GLR594	405613	7187991	6000	8650	26	SW AREA
GLR595	405603	7188014	6000	8675	29	SW AREA
GLR596	405551	7188128	6000	8800	33	SW AREA
GLR597	405540	7188150	6000	8825	37	SW AREA
GLR598	405530	7188173	6000	8850	46	SW AREA
GLR599	405519	7188196	6000	8875	24	SW AREA
GLR600	405509	7188218	6000	8900	28	SW AREA
GLR601	405498	7188241	6000	8925	34	SW AREA
GLR602	405488	7188264	6000	8950	33	SW AREA

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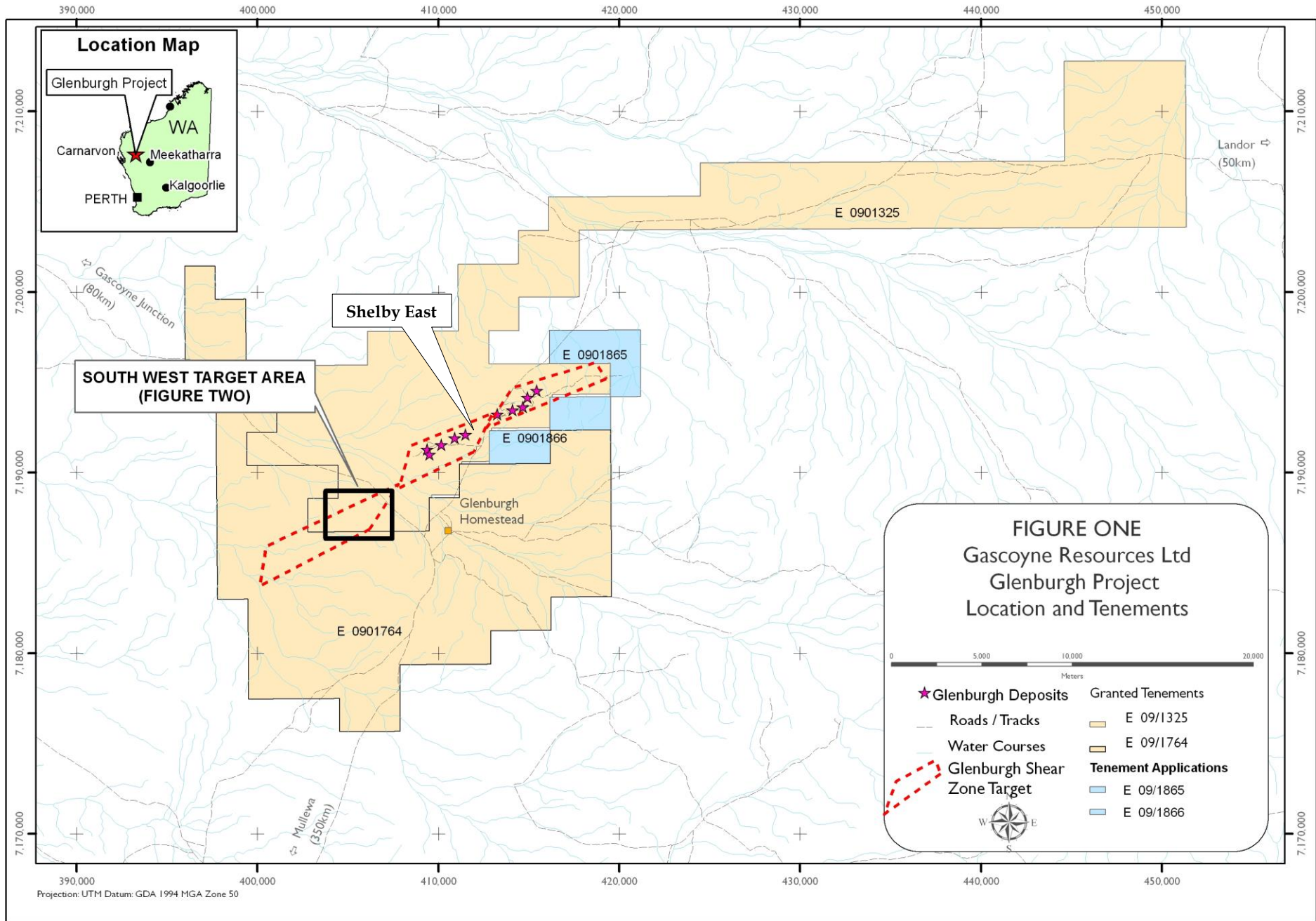
Hole #	National East (GDA)	National North (GDA)	Local East	Local North	Depth	Prospect
GLR603	405313	7187688	5600	8500	55	SW AREA
GLR604	405302	7187711	5600	8525	51	SW AREA
GLR605	405292	7187733	5600	8550	50	SW AREA
GLR606	405281	7187756	5600	8575	41	SW AREA
GLR607	405271	7187779	5600	8600	49	SW AREA
GLR608	405261	7187801	5600	8625	51	SW AREA
GLR609	405250	7187824	5600	8650	34	SW AREA
GLR610	405208	7187915	5600	8750	30	SW AREA
GLR611	405198	7187938	5600	8775	27	SW AREA
GLR612	405187	7187960	5600	8800	18	SW AREA
GLR613	405177	7187983	5600	8825	15	SW AREA
GLR614	405166	7188006	5600	8850	12	SW AREA
GLR615	405156	7188028	5600	8875	21	SW AREA
GLR616	405146	7188051	5600	8900	15	SW AREA
GLR617	404789	7187392	5000	8450	28	SW AREA
GLR618	404778	7187414	5000	8475	48	SW AREA
GLR619	404768	7187437	5000	8500	47	SW AREA
GLR620	404757	7187460	5000	8525	51	SW AREA
GLR621	404747	7187482	5000	8550	50	SW AREA
GLR622	404736	7187505	5000	8575	49	SW AREA
GLR623	404726	7187528	5000	8600	56	SW AREA
GLR624	404674	7187641	5000	8725	42	SW AREA
GLR625	404663	7187664	5000	8750	46	SW AREA
GLR626	404653	7187687	5000	8775	41	SW AREA
GLR627	404642	7187709	5000	8800	44	SW AREA
GLR628	404632	7187732	5000	8825	36	SW AREA
GLR629	404621	7187755	5000	8850	31	SW AREA
GLR630	404611	7187778	5000	8875	19	SW AREA
GLR631	404446	7187179	4600	8400	54	SW AREA
GLR632	404436	7187202	4600	8425	49	SW AREA
GLR633	404425	7187224	4600	8450	48	SW AREA
GLR634	404415	7187247	4600	8475	37	SW AREA
GLR635	404404	7187270	4600	8500	55	SW AREA
GLR636	404394	7187292	4600	8525	23	SW AREA
GLR637	404383	7187315	4600	8550	12	SW AREA
GLR638	404331	7187429	4600	8675	34	SW AREA
GLR639	404321	7187451	4600	8700	41	SW AREA
GLR640	404310	7187474	4600	8725	90	SW AREA
GLR641	404300	7187497	4600	8750	63	SW AREA
GLR642	404289	7187520	4600	8775	53	SW AREA
GLR643	404279	7187542	4600	8800	36	SW AREA
GLR644	404268	7187565	4600	8825	29	SW AREA
GLR645	407077	7188638	7600	8625	35	SW AREA
GLR646	412175	7191672	13500	9250	12	SHELBY EAST

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Hole #	National East (GDA)	National North (GDA)	Local East	Local North	Depth	Prospect
GLR647	412165	7191695	13500	9275	20	SHELBY EAST
GLR648	412154	7191718	13500	9300	22	SHELBY EAST
GLR649	412144	7191741	13500	9325	18	SHELBY EAST
GLR650	412134	7191763	13500	9350	11	SHELBY EAST
GLR651	412123	7191786	13500	9375	15	SHELBY EAST
GLR652	412113	7191809	13500	9400	9	SHELBY EAST
GLR653	412102	7191831	13500	9425	4	SHELBY EAST
GLR654	412092	7191854	13500	9450	10	SHELBY EAST
GLR655	412081	7191877	13500	9475	10	SHELBY EAST
GLR656	412071	7191900	13500	9500	16	SHELBY EAST
GLR657	412200	7192097	13700	9625	20	SHELBY EAST
GLR658	412190	7192119	13700	9650	10	SHELBY EAST
GLR659	412179	7192142	13700	9675	15	SHELBY EAST
GLR660	412169	7192165	13700	9700	15	SHELBY EAST
GLR661	412158	7192188	13700	9725	15	SHELBY EAST
GLR662	412148	7192210	13700	9750	12	SHELBY EAST
GLR663	412138	7192233	13700	9775	15	SHELBY EAST
GLR664	412127	7192256	13700	9800	14	SHELBY EAST
GLR665	412117	7192278	13700	9825	10	SHELBY EAST
GLR666	412106	7192301	13700	9850	10	SHELBY EAST
GLR667	412403	7192135	13900	9575	17	SHELBY EAST
GLR668	412392	7192158	13900	9600	16	SHELBY EAST
GLR669	412382	7192180	13900	9625	15	SHELBY EAST
GLR670	412371	7192203	13900	9650	15	SHELBY EAST
GLR671	412361	7192226	13900	9675	15	SHELBY EAST
GLR672	412351	7192248	13900	9700	15	SHELBY EAST
GLR673	412340	7192271	13900	9725	15	SHELBY EAST
GLR674	412330	7192294	13900	9750	15	SHELBY EAST
GLR675	412319	7192317	13900	9775	15	SHELBY EAST
GLR676	412309	7192339	13900	9800	15	SHELBY EAST
GLR677	412605	7192173	14100	9525	32	SHELBY EAST
GLR678	412595	7192196	14100	9550	16	SHELBY EAST
GLR679	412585	7192219	14100	9575	16	SHELBY EAST
GLR680	412574	7192241	14100	9600	10	SHELBY EAST
GLR681	412564	7192264	14100	9625	15	SHELBY EAST
GLR682	412553	7192287	14100	9650	15	SHELBY EAST
GLR683	412532	7192332	14100	9700	15	SHELBY EAST
GLR684	412522	7192355	14100	9725	15	SHELBY EAST
GLR685	412511	7192377	14100	9750	15	SHELBY EAST
GLR686	412543	7192309	14100	9675	15	SHELBY EAST

Note: All holes drilled -60 degrees to local grid south (155 Magnetic)

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