

September 28<sup>th</sup> 2018  
Australian Securities Exchange Limited  
Via Electronic Lodgement

**\$5 MILLION RAISED THROUGH SHARE PURCHASE PLAN  
AND PLACEMENT**

Gascoyne Resources Limited (“**Gascoyne**” or “**Company**”) (**ASX:GCY**) is pleased to advise that \$5 million has been raised through a well supported Share Purchase Plan (“**SPP**”) and a placement of the SPP shortfall to sophisticated and institutional investors.

This raising, along with the previous \$19 million placement that was announced on the 20<sup>th</sup> of August, has seen the Company raise \$24 million before costs to strengthen the Company’s balance sheet and provide additional financial flexibility as the Dalgarranga Gold Project (“**Dalgarranga**”) in the Murchison region of Western Australia ramps up towards commercial production, which is expected in the December quarter.

Funds raised from the placements and SPP will be applied towards the final payment required to be made to the vendor of Dalgarranga, remaining construction capital and critical spares, exploration at both Dalgarranga and the Glenburgh Gold Project, corporate costs and general working capital.

The SPP was well supported with approximately 75% takeup, with the shortfall of approximately \$1.3 million (4,431,667 shares) placed to sophisticated and institutional investors under the Company’s existing placement capacity under ASX Listing Rule 7.1A. An Appendix 3B in respect of the SPP and placement will be issued in due course.

Hartleys Limited and Argonaut Securities Pty Ltd acted as Joint Lead Managers to the placements.

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



## BACKGROUND ON GASCOYNE RESOURCES

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

The Company's 100% owned gold projects combined have over **2.3 million ounces of contained gold on granted Mining Leases**:

### DALGARANGA:

The Dalgaranga Gold Project (DGP) 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 contains a JORC Measured, Indicated and Inferred Resource of **31.1 Mt @ 1.3 g/t Au for 1,320,000 ounces** of contained gold (Table 1). The DGP has a **Proved and Probable Ore Reserve of 612,000 ounces of gold** (Table 2). The Ore Reserves are included in the Mineral Resource.

The Feasibility Study (FS) that was completed on the DGP in November 2016 highlighted a robust development case for the Project.

The FS investigated the development of two open pits feeding a 2.5 Mtpa processing facility resulting in production of around 100,000 ozpa for 6 years and concluded that the operation would be a low cost, long life operation with high operating margins (relative to recent gold price and current hedge position).

As a result of the FS, the Company has progressed through the funding, development and construction phases for the Project. Construction was completed ahead of schedule and under budget.

Significant exploration potential also remains outside the known Resources with numerous historical geochemical prospects only partially tested.

**Table 1: Dalgaranga August 2017 Mineral Resource Estimate (0.5 g/t Cut-off)**

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
Laterite				0.6	1.1	19,400	0.02	0.7	500	<b>0.6</b>	<b>1.1</b>	<b>20,000</b>
Oxide	0.2	1.6	8,000	1.8	1.7	97,000	0.8	1.4	40,000	<b>2.8</b>	<b>1.6</b>	<b>142,000</b>
Transitional	0.5	2.1	30,000	1.2	1.4	57,000	0.5	1.5	25,000	<b>2.2</b>	<b>1.6</b>	<b>109,000</b>
Fresh	2.2	1.4	94,000	12.6	1.2	503,000	11.0	1.3	445,000	<b>25.7</b>	<b>1.3</b>	<b>1,041,000</b>
<b>Total</b>	<b>2.8</b>	<b>1.5</b>	<b>133,000</b>	<b>16.2</b>	<b>1.3</b>	<b>676,000</b>	<b>12.3</b>	<b>1.3</b>	<b>504,000</b>	<b>31.1</b>	<b>1.3</b>	<b>1,320,000</b>

Note: Discrepancies in totals are a result of rounding

**Table 2: Ore Reserve Statement - Dalgaranga Project November 2017**

Ore Reserves	Tonnes (M tonnes)	Gold Grade (g/t)	Contained ounces (oz)
Proven	2.8	1.4	122,500
Probable	12.4	1.2	490,000
<b>Ore Reserves Total</b>	<b>15.3</b>	<b>1.3</b>	<b>612,000</b>

Note: Discrepancies in totals are a result of rounding

### GLENBURGH:

The Glenburgh Project in the Gascoyne region of Western Australia, has a Measured, Indicated and Inferred resource of: **21.3Mt @ 1.5 g/t Au for 1.0 million oz gold** from several prospects within a 20km long shear zone (see Table 3).

A preliminary feasibility study on the project has been completed (see announcement 5<sup>th</sup> of August 2013) that showed a viable project exists, with a production target of 4.9 Mt @ 2.0 g/t for 316,000 oz (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 3: Glenburgh Deposits - Area Summary**  
**Mineral Resource Estimate (0.5 g/t Au Cut-off)**

Area	Measured			Indicated			Inferred			Total		
	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	Mt	g/t	Ounces	Mt	g/t	Ounces	Mt	g/t	Ounces	Mt	g/t	Ounces
North East	0.2	4.0	31,000	1.4	2.1	94,000	3.3	1.7	178,000	4.9	1.9	303,000
Central	2.6	1.8	150,000	3.2	1.3	137,000	8.4	1.2	329,000	14.2	1.3	616,000
South West							2.2	1.2	84,000	2.2	1.2	84,000
<b>Total</b>	<b>2.9</b>	<b>2.0</b>	<b>181,000</b>	<b>4.6</b>	<b>1.6</b>	<b>231,000</b>	<b>13.9</b>	<b>1.3</b>	<b>591,000</b>	<b>21.3</b>	<b>1.5</b>	<b>1,003,000</b>

Note: Discrepancies in totals are a result of rounding

#### **EGERTON:**

The project includes the high grade Hibernian deposit and the high grade Gaffney's Find prospect, which lie on granted mining leases. Previous drilling includes high grade intercepts, **14m @ 71.7 g/t gold, 34m @ 14.8 g/t gold, 8m @ 11.4 g/t gold, 2m @ 147.0 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 deposit with drilling testing deeper extensions to known shoots and targeting new shoot positions. Extensions to mineralised trends and new regional targets will be tested with Aircore during drilling campaigns.

Gascoyne is continuing to ramp up production of the 100% owned Dalgaranga Gold Project which is expected to achieve commercial production in the December quarter, while continuing to evaluate the near term 100% owned Glenburgh Gold deposits to delineate meaningful increases in the resource base and progress project permitting. Exploration is also continuing at the 100% owned 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](http://www.gascoyneresources.com.au)

#### **Competent Persons Statement**

Information in this announcement relating to the Dalgaranga project is based on data compiled by Gascoyne's Managing Director Mr Mike 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 2012 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 Dalgaranga and Glenburgh Mineral Resources 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 7<sup>th</sup> August 2017 titled "Dalgaranga Gold Project – Sly Fox Resource and Exploration Update" and 24<sup>th</sup> 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 Dalgaranga Ore Reserve has been estimated by Mr Harry Warriess, an employee of Mining Focus Consultants 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. Mr Warriess is a Fellow of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. (See GCY -ASX announcement 16<sup>th</sup> November 2017 titled "Dalgaranga Gold Project – Mine Plan Increased to Over 650,000Oz"). 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 29<sup>th</sup> 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 to the JORC 2012 guidelines. This new JORC 2012 resource, reported above, will form the basis for any future studies.

The Mt Egerton drill intersections referred to in this announcement were prepared and first disclosed under the JORC Code 2004. They have 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.

Information in this announcement relating to the Mt Egerton Gold Project is based on data compiled by Gascoyne's Managing Director Mr Mike 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 he is 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.