

ASX ANNOUNCEMENT

17 February 2021

Early Exploration Success at Tanqueray – 9m @ 7.0 g/t

Highlights:

- Priority follow-up RC drilling at Tanqueray has intersected high-grade mineralisation in fresh rock in two holes:
 - **9m @ 7.0 g/t Au from 138m including 3m @ 15.4 g/t Au**
 - **8m @ 3.1 g/t Au from 125m**
- First results from the regional aircore drilling program at Dalgaranga returned a significant intersection from the Tanqueray prospect:
 - **28m @ 1.5 g/t Au from 64m (EOH¹)**
- Results pending from the recently completed third RC hole
- RC rig being mobilised to Tanqueray to drill test along 400m anomalous zone
- **Tanqueray located approximately 2km northwest of the Dalgaranga processing plant**
- Aircore drilling continues testing other regional targets at Dalgaranga
- Current phase of extensional and infill RC drilling completed at Gilbey's and Sly Fox

Gascoyne Resources Managing Director and CEO, Mr Richard Hay, commented:

“Early exploration success at Tanqueray is very encouraging with two RC holes intersecting 9m at 7.0 g/t and 8m at 3.1 g/t in strongly mineralised fresh rock, when following up on an aircore drill intersection of 28m @ 1.5g/t. Furthermore, the regional aircore drilling has now identified an extensive length of under transported cover oxide intersections over a 400m length within the eastern end of the Tanqueray trend.

“Given RC drilling immediately intersected high-grade mineralisation in fresh rock, the Company has prioritised mobilisation of another RC rig for the last week of February to target the fresh rock horizon for extensions to the mineralisation along the full 400m length. The company remains well funded and this work will fall within the newly approved \$6.3M exploration budget”

1. EOH – End of Hole

Gascoyne Resources Limited (“**Gascoyne**” or “**Company**”) (ASX:GCY) is pleased to provide an update on exploration activities at the Dalgaranga Gold Project (“**Dalgaranga**”) in Western Australia. This announcement reports the first assay results received from the regional aircore program which commenced in November 2020 and the first two follow-up (of three) RC holes drilled below the significant aircore drilling intersection at the Tanqueray prospect. The Tanqueray prospect is located on tenements E59/1904 and E59/1709 where the Company holds an 80% interest.

Tanqueray

The Tanqueray prospect is located approximately 2km north west of the Dalgaranga processing plant (see Figure 1 & 3), in a covered area that is interpreted to be an east-west trending structural zone between magnetic highs. The area has previously had wide spaced aircore drilling completed on 200m spaced lines and minimal RC drilling (see Figure 1).

In mid-2018, two RC drill holes were drilled to test beneath the strongest aircore intersections at the eastern end of the Tanqueray trend (see ASX announcement dated 19 September 2018). The shallowest RC hole returned the highest-grade mineralisation ever seen at Dalgaranga in an intersection of **8m @ 373.5 g/t Au from 53m downhole, including 3m @ 987 g/t Au** (DGRC0509).

Follow up RC drilling in late 2018 was carried out and numerous mineralised quartz veins were intersected hosted in white kaolinitic clays, close to a weathered shale contact. These encouraging oxide zone intersections indicate that deeper drill testing of this anomaly below the oxidised zone is required. The better intersections returned include 4m @ 1.4 g/t Au from 54m in DGRC0518 and 5m @ 1.2 g/t Au from 59m in DGRC0519 (see ASX Announcement 31 January 2019).

In November 2020 infill aircore lines on 100m spacing were completed along the Tanqueray trend. First assay results have now been received and returned the significant intersection of **28m @ 1.5 g/t Au from 64m to EOH, including 12m @ 3.3 g/t from 80m to EOH (DGAC3219)** from 4m composite samples. This hole is located approximately 300m west of DGRC0509 discussed above. This new aircore intersection occurs in a quartz veined lower saprolitic clay zone and oxidised porphyritic volcanoclastic rocks.

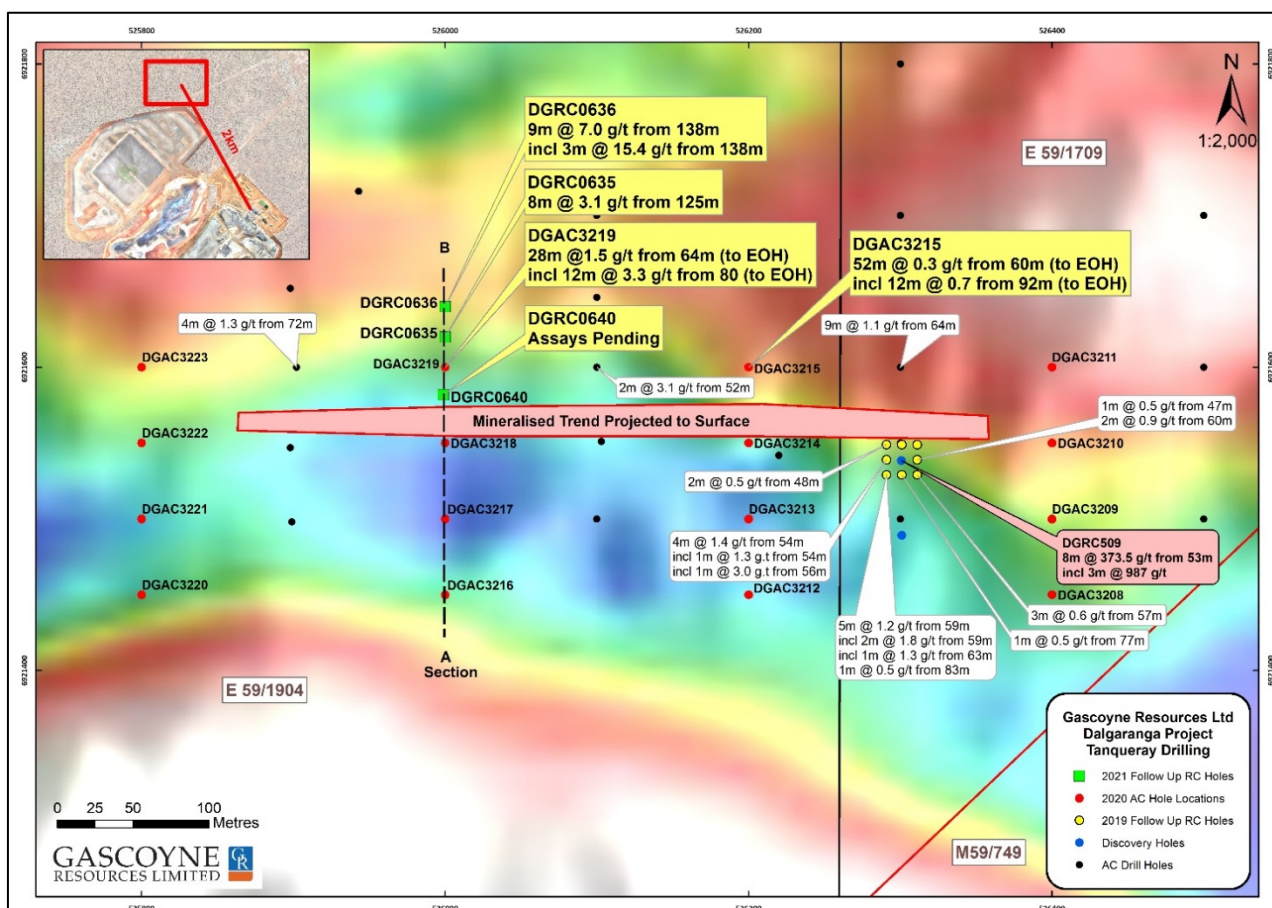


Figure 1: Tanqueray Location Plan showing drill hole Locations on Aeromagnetic Survey

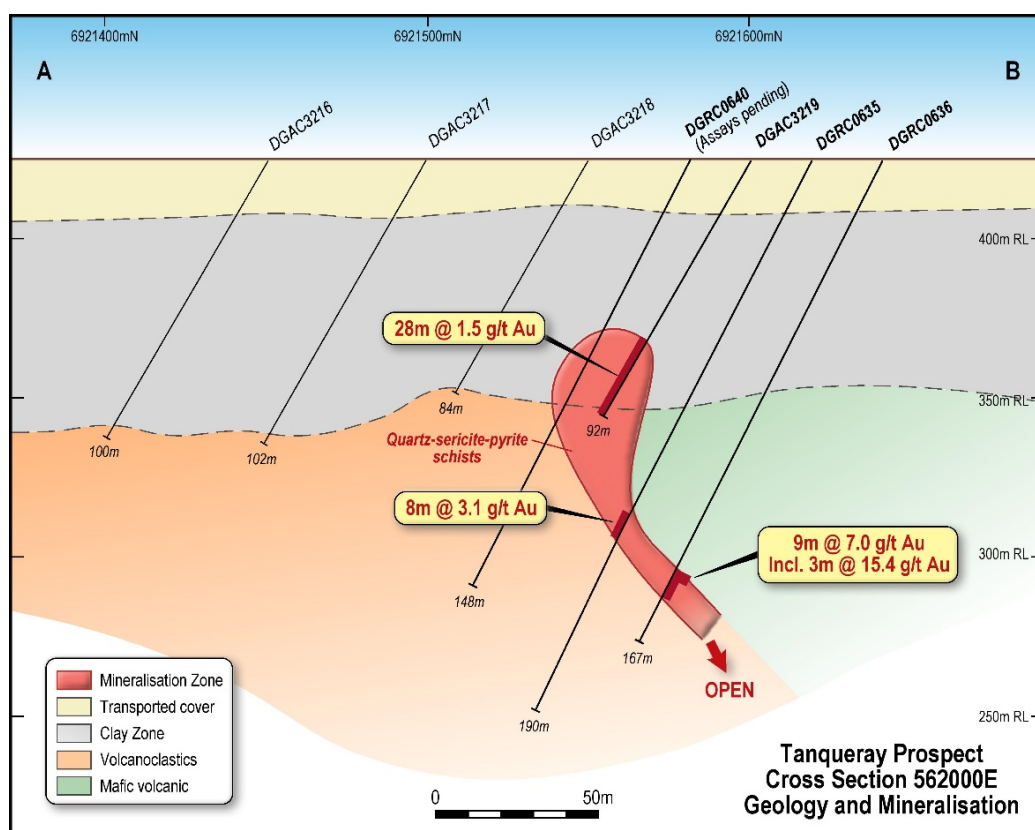


Figure 2: Tanqueray Cross Section 562000E

Three follow-up RC holes targeting up and down dip of the aircore intersection have been completed. Assays have been returned from the first two drill holes with intersections of **8m @ 3.1 g/t Au from 125m (DGRC0635) and 9m @ 7.0 g/t Au from 138m, including 3m @ 15.8g/t Au (DGRC0636)**. The results confirm the presence of high grade primary (fresh rock) gold mineralisation below the aircore intersection in DGAC3219. The third RC hole (DGRC0640) was drilled up dip of the aircore hole, with assay results pending. Mineralisation occurs in a strongly sheared package of quartz, sericite, pyrite schists which is interpreted to dip initially steeply to the south but flattens at depth based on DGRC0636 assay results (Figure 2). The mineralisation occurs on or close to an interpreted mafic volcanic, volcanoclastic contact.

A high-priority RC drilling program will commence in late February to follow up these results and test for extensions to the primary fresh rock mineralisation. Furthermore, the follow up program will also target fresh primary mineralisation over the 400m long oxide zone, which includes testing below and along strike of aircore hole **DGAC3215** located 200m further east. **DGAC3215** returned an intersection of **52m @ 0.3 g/t Au from 60m to EOH** (Figure 1).

Intersection and Drill Hole Details

Table 1 and 2 below provides the list of significant intersections and Tables 3 and 4 for drill hole details. Figures 1 to 3 show location plans and a cross section.

Regional Aircore Drilling

Aircore drilling continues, testing priority regional exploration targets located within Gascoyne's highly prospective tenements surrounding Dalgara. These regional targets at Tanqueray, Lindville and Gilbey's corridor area are all located within 10km of the processing plant (Figure 3).

Gilbey's and Sly Fox

A short RC drill program has been completed targeting extensions and infill at both Gilbey's southern zone and Sly Fox. Three RC holes were drilled into the southern end of Gilbey's targeting extensions to the southerly plunging high grade zone. Additionally, a further four RC holes have been completed both infilling and extending the Sly Fox deposit. Results from this drilling will be reported in due course.

Authorisation

This announcement has been authorised for release by the Board of Gascoyne Resources Limited.

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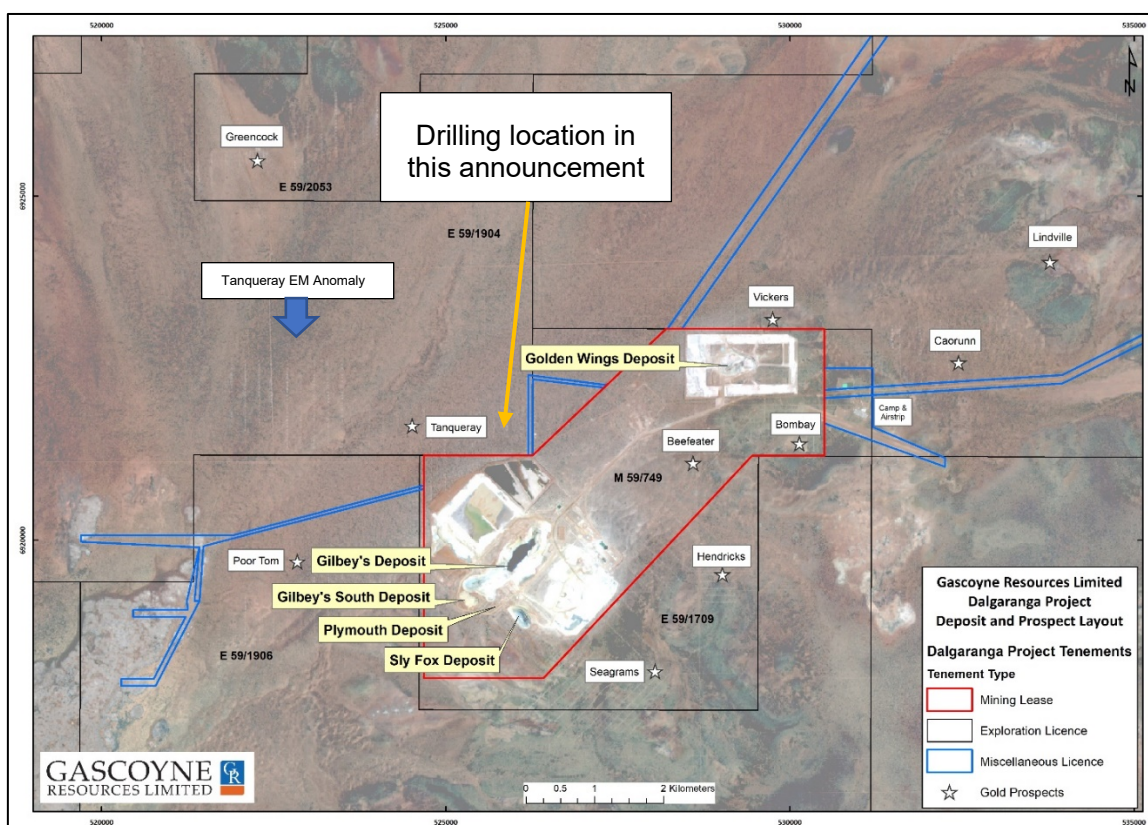


Figure 3: Dalgara Project – Deposit Location map

Table 1: Significant AC drilling Intersections from Tanqueray (0.2 g/t cut off)

Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Location
DGAC3215	60	112	52 (EOH)	0.3	Tanqueray
Incl	92	104	12	0.7	
DGAC3219	64	92	28 (EOH)	1.5	Tanqueray
Incl	80	92	12 (EOH)	3.3	

Table 2: Significant RC drilling Intersections from Tanqueray (0.5 g/t cut off)

Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Location
DGRC0635	125	133	8	3.1	Tanqueray
DGRC0636	138	145	9	7.0	Tanqueray
Incl	138	141	3	15.8	

Table 3: Tanqueray Aircore Drill hole Collar Location details

Hole ID	Depth (m)	GDA East	GDA North	RL	Dip	Azimuth
DGAC3208	123	526400	6921450	425	-60	180
DGAC3209	102	526400	6921500	425	-60	180
DGAC3210	101	526400	6921550	425	-60	180
DGAC3211	99	526400	6921600	425	-60	180
DGAC3212	108	526200	6921450	425	-60	180
DGAC3213	116	526200	6921500	425	-60	180
DGAC3214	105	526200	6921550	425	-60	180
DGAC3215	112	526200	6921600	425	-60	180
DGAC3216	100	526000	6921450	425	-60	180
DGAC3217	102	526000	6921500	425	-60	180
DGAC3218	84	526000	6921550	425	-60	180
DGAC3219	92	526000	6921600	425	-60	180
DGAC3220	85	525800	6921450	425	-60	180
DGAC3221	76	525800	6921500	425	-60	180
DGAC3222	81	525800	6921550	425	-60	180
DGAC3223	95	525800	6921600	425	-60	180

Table 4: Tanqueray RC Drill hole Collar Location details

Hole ID	Depth (m)	GDA East	GDA North	RL	Dip	Azimuth
DGRC0635	190	525999.7	6921620.0	424.8	-60	180
DGRC0636	167	525999.9	6921641.3	424.7	-60	180
DGRC0640	148	525998.8	6921581.9	424.688	-60	180

BACKGROUND ON GASCOYNE RESOURCES

Gascoyne was reinstated on the ASX in October 2020 and is focused on production, development and exploration of a number of gold projects in Western Australia underpinned by positive cash flow generated from the Dalgaranga Operation. In 2020, Dalgaranga produced in excess of 80,000 ounces of gold with targeted production over the next 4 years of between 70,000 and 80,000 ounces of gold per annum.

DALGARANGA:

The Dalgaranga Gold Project (“DGP”) is located approximately 65km by road North-West of Mt Magnet in the Murchison gold mining region of Western Australia and covers the majority of the Dalgaranga greenstone belt.

An updated Mineral Resource was estimated for the DGP being 29.6Mt @ 0.8 g/t Au for 801.3koz of contained gold (see ASX Announcement 10 June 2020). Refer to table below.

An updated Ore Reserve was estimated for the DGP being 16.3Mt at 0.8 g/t Au for 426.3koz of contained gold (see ASX Announcement 31 July 2020). Refer to table below.

Significant exploration potential remains at the Dalgaranga Gold Project within the Company's surrounding extensive tenement holdings.

**Dalgaranga Gold Project
Summary Mineral Resource Statement as at 30 April 2020**

Classification	Mt	Au g/t	Au koz
Measured	1.7	0.8	39.7
Indicated	21.2	0.9	588.6
Measured + Indicated	22.9	0.9	628.3
Inferred	6.8	0.8	173.1
TOTAL	29.6	0.8	801.3

Note: Discrepancies in totals are a result of rounding.

**Dalgaranga Gold Project
Summary Ore Reserve Statement as at 30 April 2020**

Classification	Oxidation state	COG (g/t Au)	Mt	Au g/t	Au Koz
Proved	Oxide	0.30			
	Transition	0.30	0.9	0.7	19.9
	Fresh	0.30	0.5	0.7	11.3
	Stockpiles	0.30	1.1	0.4	12.9
	Gold In circuit				1.7
	SUBTOTAL		2.4	0.6	45.8
Probable	Oxide	0.30	0.1	1.0	2.5
	Transition	0.30	0.8	0.8	19.8
	Fresh	0.30	13.1	0.9	358.3
	SUBTOTAL		13.9	0.9	380.6
Total			16.3	0.8	426.3

Note: Discrepancies in totals are a result of rounding.

GLENBURGH:

The Glenburgh Project in the Gascoyne region of Western Australia has an Indicated and Inferred resource of **16.3Mt @ 1.0 g/t Au for 510.1koz oz gold** (See ASX announcement dated 18 December 2020 and titled "Glenburgh Resource Update") from several deposits within a 13km long shear zone (see table below). The project is an exciting advanced exploration project and will be fully evaluated over the coming months to determine its potential development to production.

Glenburgh Gold Project – MRE Total Summary for All Deposits, as at 15 December 2020

Classification	Mt	Au g/t	Au koz
Indicated	13.5	1.0	430.7
Inferred	2.8	0.9	79.4
TOTAL	16.3	1.0	510.1

MT EGERTON:

The Mt Egerton project includes the high-grade Hibernian deposit and the high-grade Gaffney's Find prospect, located 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 drill testing deeper extensions to known shoots and targeting new shoot positions. Extensions to mineralised trends and new regional targets will be tested with air core during drilling campaigns.

Competent Persons Statement

Information in this announcement relating to drilling results and interpretations at the Dalgaranga Gold Project are based on, and fairly represents data compiled by Gascoyne's Chief Geologist Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy. 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 Ore Reserve estimates for the Gilbey's, Gilbey's South, Sly Fox and Golden Wings gold deposits at the Dalgaranga Gold Project referred to in this announcement are extracted from the ASX announcement dated 31 July 2020 and titled "Dalgaranga Gold Mine – Updated Life of Mine Production Target and Updated Ore Reserve"). 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 estimates for the Gilbey's, Gilbey's South, Sly Fox and Golden Wings referred to in this announcement are extracted from the ASX announcement dated 10 June 2020 and titled "Dalgaranga Gold Mine – Updated 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 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 Resources estimates for the Glenburgh Project referred to in this announcement are 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 Mt Egerton drill intersections referred to in this announcement were prepared and first disclosed under the JORC Code 2004 (see ASX announcement dated 29 May 2013 and titled "High grade Egerton Gold Project Secured Under Option"). They have not been updated since to comply with the JORC Code 2012. 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 information in the original market announcement continue to apply and have not materially changed.

Information in this announcement relating to the Mt Egerton Gold Project is based on, and fairly represents, data compiled by Gascoyne's Chief Geologist Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy. Mr Goldsworthy 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 Goldsworthy consents to the inclusion in this announcement of the data relating to the Mt Egerton Gold Project in the form and context in which it appears.

Forward-looking statements

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



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

Dalgaranga project – update with Tanqueray details

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

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> The deposits and prospects have 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. For this announcement it was Aircore and RC drilling 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 and blank samples. Based on statistical analysis of these results, there is no evidence to suggest the samples are not representative. RC drilling was used to obtain 1m samples which were split by a cone 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 50g Fire Assay or Photon assay. Where anomalous results were detected, the single metre samples were collected for subsequent analysis, also via 50g Fire Assay or Photon 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 or Photon Assay. Where diamond drilling was undertaken or as diamond tails extending RC holes ½ core was sampling while for HQ holes ¼ core was sampled and the Fire Assayed using 50g charge fire assay with an AAS finish. In relation to this announcement all RC and Aircore samples were sent to MinAnalytical Laboratory Pty Ltd for analysis, by Photon Assay (RC samples) and Aqua Regia (Aircore samples).
Drilling techniques	<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 RC holes. Core sizes range from NQ, HQ or PQ (to allow metallurgical samples to be collected). In relation to this announcement RC face sampling hammer was used.
Drill sample recovery	<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. No diamond drilling has been undertaken at Tanqueray.
	<ul style="list-style-type: none"> 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. 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 previously undertaken and the core measured and orientated to determine recovery, which was generally 100%. No diamond drilling has been undertaken at Tanqueray.



Criteria	Commentary
	<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.
Logging	<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. No diamond drilling has been undertaken at Tanqueray.
	<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"> All current drill holes are logged in full.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Diamond drilling completed by Gascoyne Resources on the Dalgaranga tenements has been ½ core (for NQ) or ½ 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.
	<ul style="list-style-type: none"> RC chips were 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"> 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"> Field QAQC procedures included the insertion of 4% certified reference 'standards' and 2% field duplicates and 2% 'blanks' for RC and AC drilling. Diamond drilling has 4% certified standards included.
	<ul style="list-style-type: none"> Field duplicates were collected during RC 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"> 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"> In relation to this announcement all RC samples were sent to MinAnalytical Laboratory Pty Ltd for analysis, by Photon Assay. A 500g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates. For Fire Assay the sample is crushed and pulverised then assayed for gold using a 50g charge lead collection Fire Assay with AAS finish. For Photon Assay, the sample is crushed to nominal 85% passing 2mm, linear split and a nominal 500g sub sample taken (method code PAP3502R). The 500g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates. For this announcement samples from the drill hole DGRC0635 were Photon Assayed
	<ul style="list-style-type: none"> No downhole geophysical tools etc. have been used at Dalgaranga.
	<ul style="list-style-type: none"> 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.



Criteria	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> At least 3 company personnel verify all intersections.
	<ul style="list-style-type: none"> No twinned holes have been drilled to date by Gascoyne Resources.
	<ul style="list-style-type: none"> Field data is collected using Geobank Mobile - Micromine software on tablet computers. The data is sent to the GCY Database Manager for validation and compilation into a SQL database server.
	<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"> At this stage most drill collars have been surveyed by hand held GPS to an accuracy of about 3m. The RC and diamond drill holes have been picked up by DGPS. 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. In the case of this announcement all RC holes have been surveyed by company Surveyor using DGPS and Gyro surveys were undertaken down hole by drilling contractors for the RC drill holes in this announcement. The RC drillholes referred to in this announcement were surveyed by DGPS. The Aircore holes were surveyed by hand held GPS
	<ul style="list-style-type: none"> The grid system is MGA_GDA94 Zone 50
Data spacing and distribution	<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. In the case of this announcement the drillholes lie on 100m spaced sections.
	<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 Ore Reserve estimation procedures and classification applied under the 2012 JORC Code.
	<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 cone 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 often collected for subsequent analyses.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drilling sections are orientated perpendicular to the strike of the mineralised host rocks at Dalgara. 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.
	<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"> Chain of custody is managed by Gascoyne Resources. Drill Samples are dispatched weekly from the Dalgara Gold Project site. Coastal Midwest Transport 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. Diamond drill core is transported directly to Perth for cutting and dispatch to the assay lab for analysis. These samples were delivered to the Laboratory by Coastal Midwest Transport and Toll.
Audits or reviews	<ul style="list-style-type: none"> Data is validated by the GCY Database Manager whilst loading into database. Any errors within the data are returned to relevant GCY geologist for validation.



Section 2 Reporting of Exploration Results: Dalgaranga Project

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Dalgaranga project is situated on Mining Lease Number M59/749. The tenement is 100% owned by Gascoyne Resources Limited. Other project Tenements include E59/1709, E59/1904, 1906 which Gascoyne Resources has an 80% interest. The Greencock prospect lies on E59/2053 and is 100% owned by Gascoyne Resources. The Tanqueray prospect – this announcement – lies on E59/1709 and E59/1904 where Gascoyne Resources has an 80% interest. The tenements are in good standing and no known impediments exist.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> The tenement areas have 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.
<i>Geology</i>	<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. 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 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. At the Sly Fox deposit gold mineralisation occurs in quartz veined and silica, pyrite, biotite altered schists. The Plymouth deposit lies between Gilbeys and Sly Fox within the hinge zone of anticlinal structure – mineralisation at Plymouth is related to quartz veins and silica, pyrite, biotite altered schists. A number of historic gold and base metal prospects occur, in particular the Greencock gold prospect which contains a number of significant gold intersections over an open ended strike length of 300m associated with ENE/WSW structural trend observable in aeromagnetic data. Gold mineralisation at Greencock is associated with sheared gabbro. At Tanqueray – this announcement, gold mineralisation occurs in an East – West trending zone over 500m with mineralisation associated with quartz, sericite, and pyrite altered schists.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> The recent RC and Aircore 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, maps and cross sections.
	<ul style="list-style-type: none"> All reported assays have been length weighted if appropriate. No top cuts have been applied. A nominal 0.5ppm Au lower cut off has been applied to the RC results and 0.2 g/t Cut off to the Aircore results.



Criteria	Commentary
Data aggregation methods	<ul style="list-style-type: none"> High grade Au intervals lying within broader zones of Au mineralisation are reported as included intervals. No metal equivalent values have been used.
Relationship between mineralisation widths and intercept lengths	<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 unless otherwise stated in the announcement. For this announcement an estimate of true width of the gold intersections is stated in the table of results.
Diagrams	<ul style="list-style-type: none"> Refer to figures within body of text.
Balanced reporting	<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"> Any further related details will be reported in future releases when data is available.
Further work	<ul style="list-style-type: none"> Exploration will continue at Dalgaranga with drilling conducted to extend the current resources, mine life and follow up of significant exploration results will continue including exploration drilling of new areas on the project. Refer to figures in body of text.