

ASX ANNOUNCEMENT

4 November 2020

FOLLOW UP RC DRILLING COMMENCES AT DALGARANGA

Highlights:

- RC drilling program of circa 4,000m to target southern Gilbey's, Sly Fox and Plymouth deposits at the Dalgaranga Gold Project
- Resource extension drilling will follow-up recent promising drill intersections including 11m @ 4.2g/t Au at southern Gilbey's and 26m @ 1.8g/t Au at Sly Fox
- Aircore rig also secured for testing Dalgaranga regional exploration targets later this quarter

Gascoyne Resources Limited ("Gascoyne" or "Company") (ASX:GKY) is pleased to announce the commencement of a follow up RC drill program at Dalgaranga with circa 4,000m of drilling planned.

As announced on 26 October 2020 (ASX Announcement: "Nine hole RC Program completed Stand Out Intersection of 11m @ 4.2 g/t Au") the Gascoyne Board has approved an accelerated follow-up RC drilling program which will target in particular the southern end of the Gilbey's open pit and the Sly Fox deposit (see Figures 1 and 2). The objective of the program is to grow the current 801.3koz Mineral Resource at Dalgaranga, with potential to then convert any increase to Ore Reserves and mine life extensions.

In addition, an Aircore drill rig has been secured to test exploration targets on the highly prospective tenements surrounding the Dalgaranga mining lease later this quarter. Primary Aircore targets are the Lindville and Tanqueray trends (Figure 4) plus a highly prospective Tanqueray EM anomaly.

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

"The recent successful drilling program at Dalgaranga warranted immediate follow up drilling to infill and extend intersections such as 11m @ 4.2g/t gold in the southern end of the Gilbey's open pit and 26m @ 1.8g/t gold under the Sly Fox open pit. I'm pleased to say that given the success of the previous drill program, the Board has approved a follow up drilling program of approximately 4,000m of RC drilling."

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

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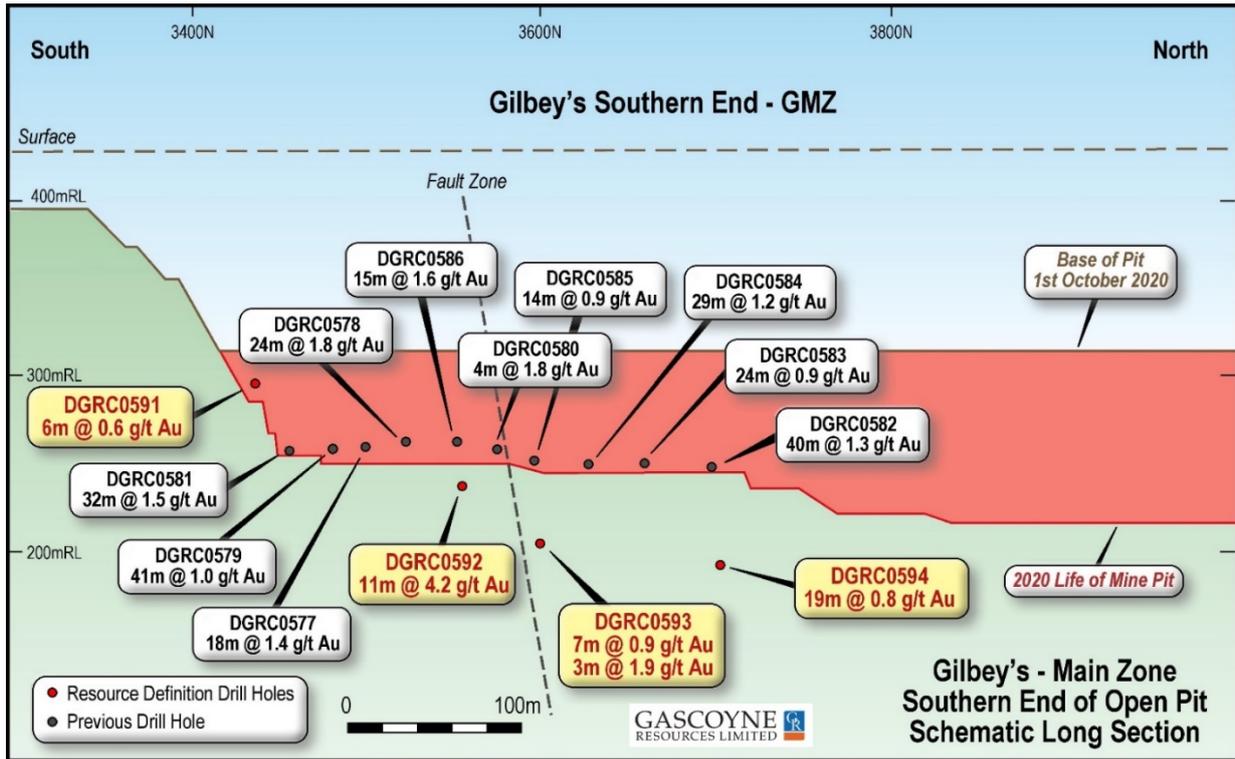


Figure 1: Schematic Long section of the Gilbey's Southern End Gilbey's Main Zone

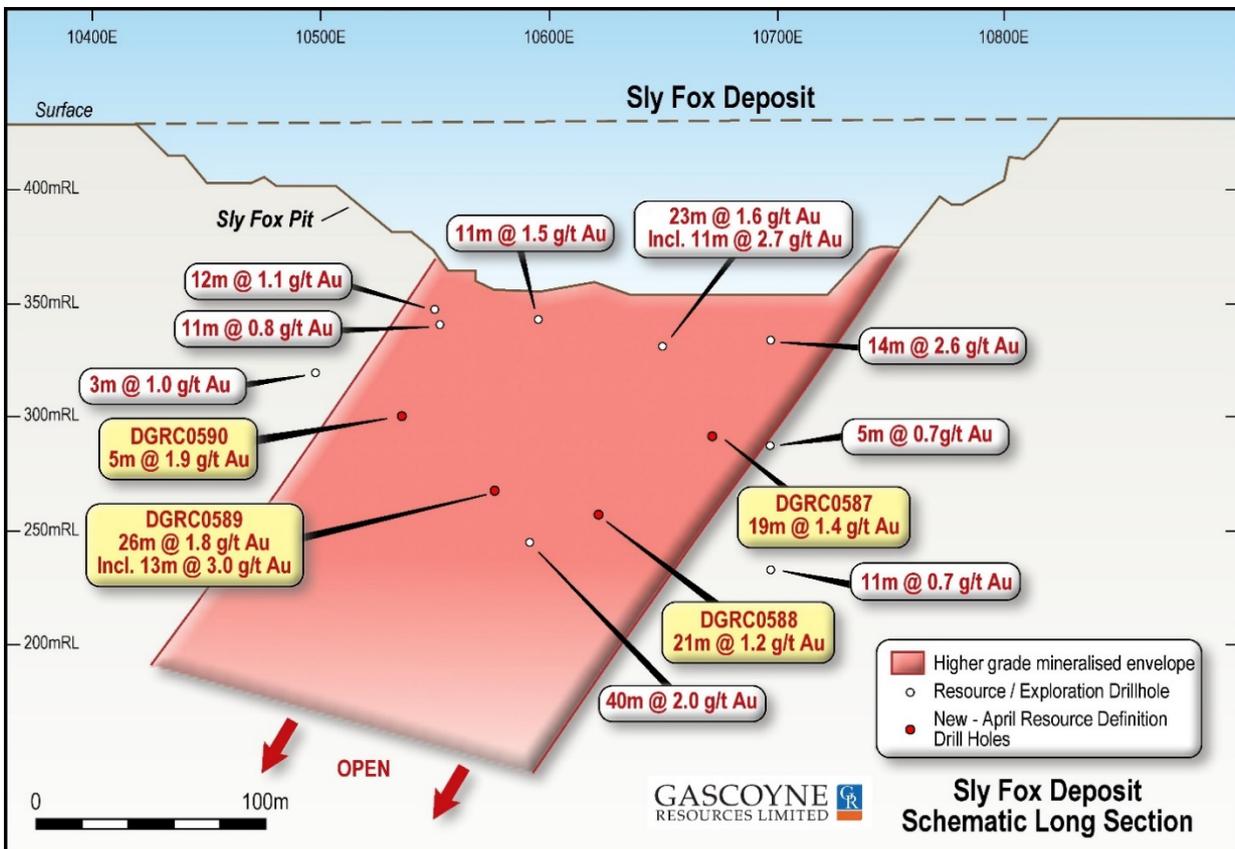


Figure 2: Schematic Long section of the Sly Fox Deposit

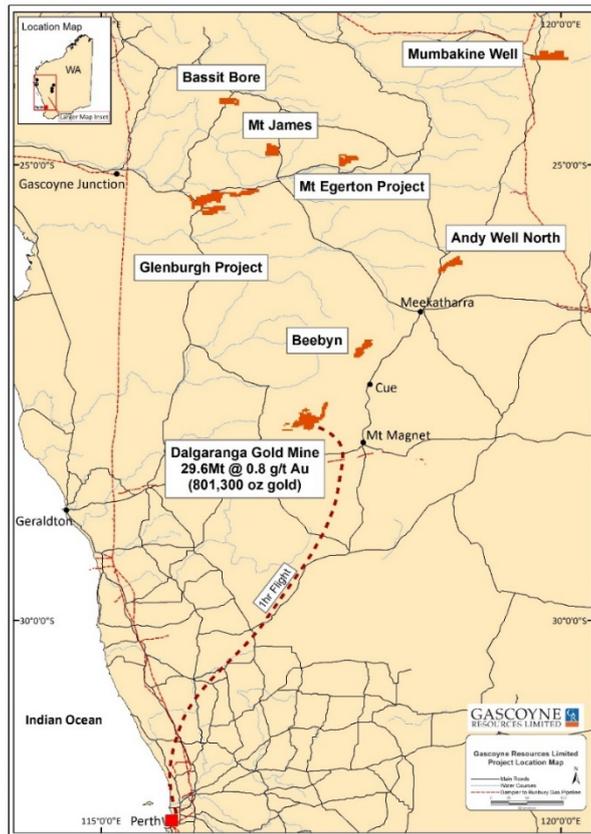


Figure 3: Gascoyne Project Location map

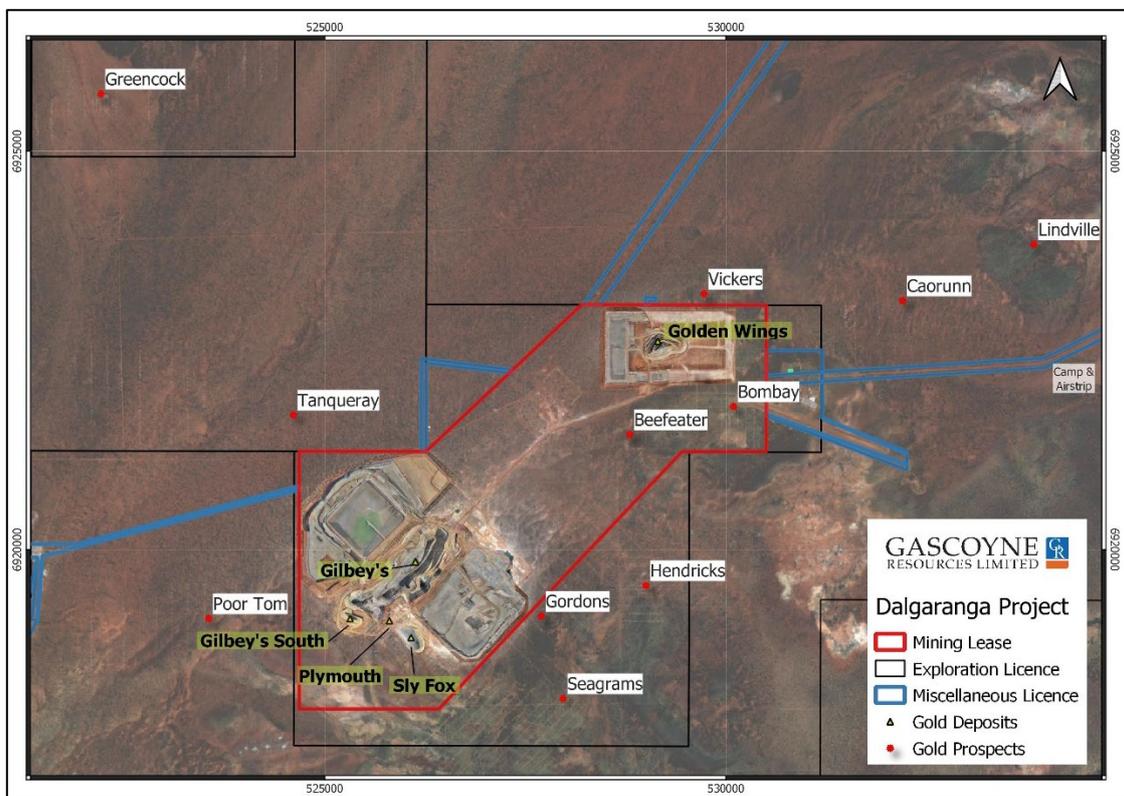


Figure 4: Dalgaranga Project – Deposit Location map

BACKGROUND ON GASCOYNE RESOURCES

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

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. After discovery in the early 1990’s, the project was developed and from 1996 to 2000 produced 229,000 oz of gold with reported cash costs of less than \$350/oz. Refer to Figure 3 and Figure 4.

An updated Mineral Resource estimate was completed as at 30 April 2020 for the Dalgaranga Gold Project of 29.62Mt @ 0.84 g/t Au for 801.3koz of contained gold (see ASX Announcement 10 June 2020). Refer to Table 1.

An updated Ore Reserve has been estimated for the DGP containing 16.3Mt at 0.8 g/t Au for 426.3koz of contained gold (see ASX Announcement 30 July 2020). Refer to Table 2.

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

**Table 1: Dalgaranga Gold Project
30 April 2020 Summary Mineral Resource Statement**

Classification	Mt	Au g/t	Au koz
Measured	1.65	0.75	39.7
Indicated	21.22	0.86	588.6
Measured + Indicated	22.87	0.85	628.3
Inferred	6.76	0.80	173.1
TOTAL	29.62	0.84	801.3

Note: Discrepancies in totals are a result of rounding.

**Table 2: Dalgaranga Gold Project
30 April 2020 Summary Ore Reserve Statement**

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
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, consists of 11 separate deposits within a 20km long shear zone. The project is an exciting advanced exploration project. Additional drilling has occurred since the original Mineral Resource estimate in 2014 (see ASX announcement dated 24 July 2014 and titled "High Grade Domains Identified Within Updated Glenburgh Gold Mineral Resource"). Furthermore, the gold price environment has changed significantly. Therefore, the Glenburgh Project will be fully re-evaluated over the coming months and if indicators are favourable will progress to a pre-feasibility study.

EGERTON:

The 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 30 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 company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

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 company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

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 and the Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement.

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.