

ASX ANNOUNCEMENT

25 October 2021

UPDATED WESTGOLD TAKEOVER OFFER – TAKE NO ACTION

Gascoyne Resources Limited (“**Gascoyne**” or the “**Company**”) (ASX: GCY) notes the announcement made by Westgold Resources Limited (“**Westgold**”) today (the “**Westgold Announcement**”) in respect of its off-market takeover offer (“**Updated Offer**”) for all the shares in the Company.

The Westgold Announcement notes that, subject to Westgold obtaining a relevant interest in at least 50.1% of Gascoyne shares no later than 7pm Sydney time on the offer closing date, Westgold will increase the offer consideration with Gascoyne shareholders to be offered three (3) Westgold shares for every eleven (11) Gascoyne shares (“**Improved Offer Consideration**”).

Gascoyne notes that the Improved Offer Consideration applies once Westgold receives a relevant interest of at least 50.1% **and** subject to satisfaction of the condition that the proposed scheme of arrangement (“**Scheme**”) with Firefly Resources Limited (“**Firefly**”) does not proceed. Otherwise, the previously disclosed offer consideration of one (1) Westgold share for every four (4) Gascoyne shares applies (which, amongst all of the other defeating conditions set out in the Bidder’s Statement, is also subject to the condition that the proposed Scheme with Firefly does not proceed).

In respect of the Scheme, we note the decision by the Takeovers Panel on 22 October 2021 to decline to conduct proceedings on the application from Westgold and that Westgold intends to seek a review (subject to the required consent of the Panel President) of this decision.

The Company is currently reviewing the Westgold Announcement and will shortly be able to provide a recommendation to shareholders in respect of the Updated Offer.

Until such time as Gascoyne provides its response, Gascoyne reiterates shareholders should **TAKE NO ACTION** in relation to the Updated Offer.

Gascoyne notes that the Scheme meeting is scheduled for Wednesday 27 October 2021 and the second Court hearing for the Scheme remains unchanged and is scheduled for Monday 1 November 2021.

The Board of Gascoyne will keep shareholders fully informed of further developments as they occur.

END

Authorisation

This announcement has been authorised for release by the Managing Director and CEO of Gascoyne Resources Limited.

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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 financial year 2021, Dalgaranga produced in excess of 77,000 ounces of gold. On 16 June 2021, Gascoyne entered into a binding agreement to acquire Firefly Resources Limited which holds the Yalgoo project approximately 70km southwest of Dalgaranga. Subject to the transaction completing, the Melville deposit at Yalgoo has the potential to be mined and hauled 110km by road and integrated into the Dalgaranga production plan.

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.