

ASX ANNOUNCEMENT

7 July 2022

GASCOYNE ACHIEVES GUIDANCE WITH PRODUCTION OF 71,153 OUNCES FOR FY2022

Gascoyne Resources Limited (“**Gascoyne**” or “**Company**”) (ASX: GCY) is pleased to advise that it has delivered gold production from its Dalgaranga Gold Mine in Western Australia of 71,153oz for the 2022 financial year, which is within its full-year production guidance range of 70-75,000oz.

Gold production of 16,298oz for the June Quarter was down on the record of 21,669oz achieved in the March Quarter, reflecting the impacts of inclement weather and significantly increased COVID-19 cases in Western Australia over the past 3-4 months.

Despite this, the Dalgaranga Operation was able to post a solid quarter of production and achieve full-year guidance, while at the same time enjoying considerable near-mine exploration success as reported during the quarter. The Company poured 16,597oz of gold and sold 16,882oz at an average realised price of A\$2,620 per oz (all unhedged), generating over A\$44 million in revenue in the June Quarter.

Following the repayment of the remaining A\$10 million of convertible note debt on 31 March 2022, Gascoyne remains free of corporate debt and also remains gold hedge free.

Gascoyne’s net cash position at the end of the June Quarter 2022 stands at A\$30.8 million. This is only a slight reduction on the net cash position of A\$31.2 million at the end of the March Quarter, even though the Company invested \$3.0 million in delineating future sources of production through highly successful exploration and resource definition drilling at Gilbey’s North, Gilbey’s Eastern Footwall and Plymouth.

Full production and cost figures will be provided in the Company’s June 2022 Quarterly Activities Report, to be released towards the end of July.

Management Comment

Gascoyne Managing Director, Simon Lawson, said:

“We were challenged by a range of factors during the June Quarter, but we have been able to meet these challenges head-on and deliver a full-year production outcome in line with our guidance numbers. A combination of rain events and increased absenteeism caused by COVID-19 impacted our mining activities during the Quarter, but the team has worked extremely hard to ensure that we could deliver on our undertakings to the market in a safe and environmentally responsible manner.”

“Our balance sheet remains very healthy with a net cash balance in excess of A\$30 million, no corporate debt and no gold hedges in place. This enables us to continue to invest in our future – a future that looks increasingly bright as new zones of mineralisation continue to be delineated at Gilbey’s North and Gilbey’s Eastern Footwall.”

“Like all mining companies in Western Australia, we are faced with the challenge of increased input costs and increased competition for personnel. We continue to do all we can to proactively manage our cost base and we have had good success in retaining our employees. Where we have had to replace an employee, our value proposition as an employer has proven successful in attracting new employees.”



Authorisation

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

For further information, please contact:

Investor inquiries:

Simon Lawson
Managing Director and CEO
+61 8 9481 3434

Media inquiries:

Nicholas Read
Read Corporate
+61 8 9388 1474

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. The acquisition of Firefly Resources Limited which held the Yalgoo project approximately 70km southwest of Dalgaranga completed on 10 November 2021. The Melville deposit at Yalgoo has the potential to be mined and hauled 110km by road and integrated into the Dalgaranga production plan.