

November 22nd 2017
Australian Securities Exchange Limited
Via Electronic Lodgement

GASCOYNE RAISES \$21 MILLION IN HEAVILY OVERSUBSCRIBED PLACEMENT

- **Heavily oversubscribed placement to raise \$21 million**
- **Funds will be used for regional exploration at Dalgaranga and Glenburgh Gold Projects, development of the Dalgaranga Gold Mine and for working capital purposes**
- **Aggressive exploration programs to commence at Dalgaranga and Glenburgh in the coming months aimed to extend mine life, expand resource base and target new discoveries**
- **Debt funding for Dalgaranga Gold Mine on track for execution of facility agreements with two tier-one Australian banks expected in late November with first debt drawdown expected in December**
- **Construction of the Dalgaranga Gold Mine is on schedule and on budget, with first gold production scheduled to be in the second quarter of 2018**

Gascoyne Resources Limited (ASX: GCY) (“Gascoyne” or “Company”) is pleased to announce that it has successfully completed a bookbuild to raise approximately \$21.5 million (before costs) at an issue price of \$0.38 per share (“Placement”). The Placement was heavily oversubscribed with strong support shown from existing institutional shareholders and significant demand from new major domestic and international institutional investors.

Funds raised will be applied towards regional exploration at the Dalgaranga Gold Project (“Dalgaranga”) and the Glenburgh Gold Project (“Glenburgh”), development of the Company’s Dalgaranga Gold Mine and to provide additional working capital. The Company now intends to undertake an aggressive exploration program at both Dalgaranga and Glenburgh, with the aim of extending mine life at the Dalgaranga Gold Mine, expanding the resource base at Dalgaranga and Glenburgh, and to target new discoveries. The Company has budgeted to spend approximately \$6.5 million on exploration at Dalgaranga and Glenburgh in the period to 30 June 2018.

Hartleys Limited and Argonaut Securities Pty Ltd are Joint Lead Managers to the Placement.

Commenting on the Placement, Managing Director Mike Dunbar stated:

“We are very appreciative of the strong support we have received for the Placement, in particular, from our existing shareholders. We are also pleased to welcome a number of new domestic and international institutional and professional investors onto our share register, which is a great endorsement of both the Company and our projects.

While we are focused on bringing Dalgaranga into production and remain on track and on budget to commence production in the first half of 2018, the recent growth in the Dalgaranga mine plan has demonstrated the positive impact that exploration success, such as that at Sly Fox, can have on the project economics. To build on that success we have an aggressive exploration program planned to commence as soon as possible at both our Dalgaranga and Glenburgh projects, with the aim of continuing to extend mine life at Dalgaranga, building our resource base at Dalgaranga and Glenburgh, and targeting new discoveries.



With gold production commencing at our Dalgaranga Gold Project in the first half of 2018 and an aggressive exploration program on our highly prospective acreage about to commence, we look forward to delivering on an exciting phase for the Company as it progresses from developer to producer, and systematically drill testing the significant exploration potential of our two WA gold projects.”

Update on Dalgaranga Gold Project Debt Funding

The finalisation of the debt facility for the development of the Dalgaranga Gold Mine is nearing completion, with two tier-one Australian banks mandated to arrange Project Financing, with formal facility documentation well advanced. Facility Agreements for the Project Financing are expected to be executed in late November with first draw down expected in December 2017. The key commercial terms of the facility negotiated include competitive interest rates, early repayment flexibility and an ability to distribute and use free cash subject to certain conditions, providing a flexible and competitively priced financing package.

Update on Director Appointments and Changes

Gascoyne recently announced the appointment of Mr Ian Kerr to the Board as Executive Director - Development. Mr Kerr is a professional engineer with 34 years' experience including 29 years in the mining industry. Mr Kerr joined Gascoyne in December 2016, having worked on the PFS and BFS for the Dalgaranga Gold Mine whilst working for Mintrex (an engineering consultancy). Mr Kerr was at Mintrex for 8 years where he worked on multiple studies and projects in Australia, Chile, Ghana, Burkina Faso, Mali and Senegal. Prior to working with Mintrex, over the last three decades Mr Kerr has held roles in both project management and operations management, having taken a number of mining projects from concept through to commissioning for both Australian and international mining companies including Placer Dome, WMC, Regis Resources, Westonia Mines and Lycopodium Engineering.

Mr Kerr's appointment, along with that of Ms Sally Anne Layman in June this year are part of an ongoing process of Board restructure and renewal of the Board's composition and skills as the Company manages the transition to near-term production, with further appointments and retirements intended over the coming months.

Additional Placement Details

The Placement will be completed in a single tranche of approximately 56.5 million shares, pursuant to the Company's ASX listing rule 7.1 capacity, and is scheduled to settle on Wednesday, 29 November 2017.

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