

21 MAY 2020: ASX ANNOUNCEMENT

GILBEY'S MAIN ZONE (GMZ) BATCH TRIALS EXCEED EXPECTATIONS

DALGARANGA GOLD PROJECT:

Gascoyne Resources Limited (Administrators Appointed) (Gascoyne or the Company) is pleased to provide the results from two batch processing trials undertaken on Gilbey's Main Zone (GMZ) ore, which further demonstrates the ongoing successful operational turnaround at Gascoyne.

GMZ Batch Trials:

- Combined batches result in **18% more tonnes**, **6% higher grade** for **25% more mined ounces**;
- Current LUC¹ resource model underestimated contained ounces in these two separate batch trials;
- These trials support our confidence that the **GMZ** will underpin future profitability.

Combined GMZ Trials 2020											
DECLARED ORE MINED (DOM)				RESOURCE (LUC)				DOM vs. LUC			
Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)
59,711	150,785	1.14	5,529	49,262	128,155	1.08	4,436	121%	118%	106%	125%

Gascoyne CEO, Mr Richard Hay, said "These results are very encouraging and give us confidence that the mine will perform to current expectations. These two batches from the primary GMZ ore source totalling 150,785 tonnes, took a combined 19 days to process, which is a sufficient sample size to give a good representation of the performance of the GMZ ore. As the future source of ore to the mill will be primarily from the GMZ, as opposed to the blended ore we have been treating, these batch trials were conducted to provide additional confidence in the reconciliation of GMZ."

The company anticipates to be feeding the mill >90% GMZ ore during the September Quarter, post completion of the Golden Wings Pit.

GMZ Trial #1 April 2020											
DECLARED ORE MINED (DOM)				RESOURCE (LUC)				DOM vs. LUC			
Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)
17,716	39,079	1.33	1,676	13,293	33,221	1.17	1,245	133%	118%	114%	135%

GMZ Trial #2 April / May 2020											
DECLARED ORE MINED (DOM)				RESOURCE (LUC)				DOM vs. LUC			
Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)	Volume (BCM)	Tonnes (t)	Grade (g/t Au)	Ounces (oz)
41,995	111,706	1.07	3,853	35,969	94,934	1.05	3,191	117%	118%	103%	121%

Resource Model, Ore Reserve and Life of Mine Plan Update:

- An update to the Mineral Resource model is progressing on plan and will be used to update the Ore Reserves and Life of Mine Plan - to be completed in the June quarter; and
- Reconciliation results for the GMZ batch trials provide confidence to continue with the LUC resource estimation method.

-ENDS-

1. Localised Uniform Conditioning model

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This announcement has been authorised for release to the ASX by the Joint and Several Voluntary Administrators of Gascoyne.