

ASX ANNOUNCEMENT

26 October 2022

MINING APPROVAL RECEIVED FOR KEY NEAR-MINE DEPOSITS AT DALGARANGA

Mining of new, higher-grade ore sources to commence in November

Highlights

- **Revision to the Mining Proposal covering the Never Never and Gilbey's North deposits and extension of the Gilbey's East deposit at Dalgara n g a approved by the Department of Mining, Industry Regulation & Safety (DMIRS).**
- **Approval clears the way for the mining of these high-grade deposits to commence, with first ore expected to be accessed shortly after mining commences in November.**
- **Approval supports Gascoyne's plan to target higher-grade ore sources and increase the head grade at Dalgara n g a.**
- **Recent drilling has delivered exceptional high-grade intercepts including 12m @ 34.5g/t gold and 26m @ 10.27g/t at Never Never, confirming outstanding potential to continue to grow the existing Resource and Reserve base.**

Gascoyne Resources Limited ("**Gascoyne**" or "**Company**") (ASX: GCY) is pleased to announce that the Western Australian Department of Mining, Industry Regulation & Safety (DMIRS) has approved the updated Mining Proposal for the Dalgara n g a Gold Project in Western Australia, clearing the way for mining of the higher-grade Never Never and Gilbey's North deposits to commence and extend the mining footprint of the Gilbey's East deposit.

With this approval in place, Gascoyne expects to commence mining of these areas in November.

Since their recent discovery, the high-grade Never Never and Gilbey's North deposits have become a key target for Gascoyne, supporting the Company's plan to mine higher-grade ore sources to increase the overall head grade at Dalgara n g a.

The deposits have an initial Mineral Resource Estimate (MRE) of 1.43Mt @ 2.32g/t gold for 107,200 ounces¹ and an Ore Reserve of 0.38Mt @ 1.63g/t gold for 20,000 ounces². Gascoyne has delivered numerous high-grade intercepts outside the Resource and Reserve envelopes³, indicating outstanding

¹ ASX Announcement 8 September 2022.

² ASX Announcement 21 September 2022.

³ ASX Announcements 6 September, 13 September, 12 October and 24 October 2022

potential for significant ongoing growth. An updated MRE for the Never Never deposit is scheduled for release in the December 2022 Quarter.

In addition to mining of the Never Never, Gilbey's North and Gilbey's East deposits, the approval also covers:

- The construction of the initial lift of the Golden Wings Tails Storage Facility ("GWTSF Lift").
- An increase to the height of the existing waste dumps to 40m.
- Additional storage capacity for Potentially Acid Forming (PAF) waste.

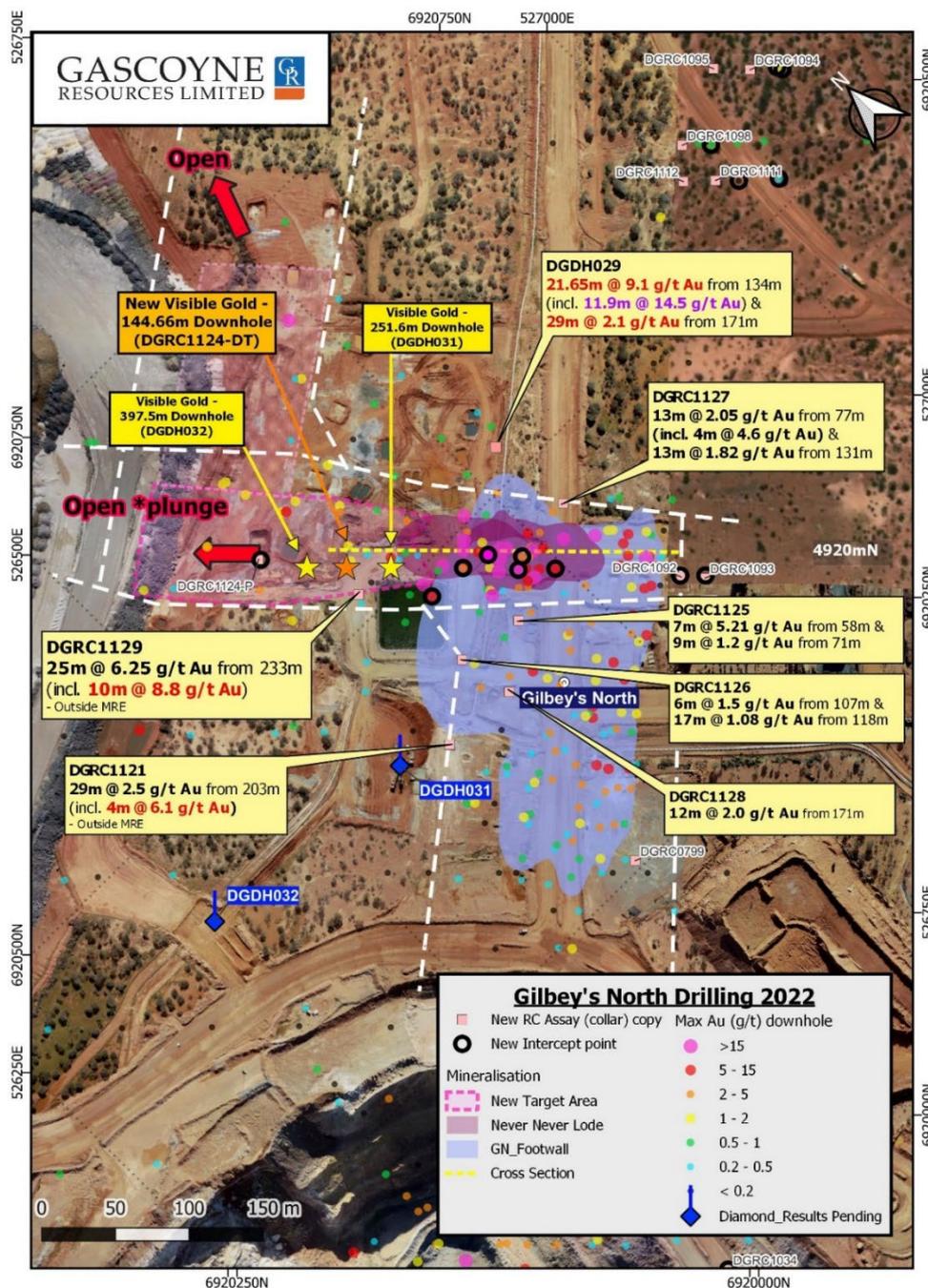


Figure 1: Plan view of east-west Never Never (pink) and north-south Gilbey's North (purple) gold deposits showing collar locations of results the subject of this announcement and pending assays (blue).

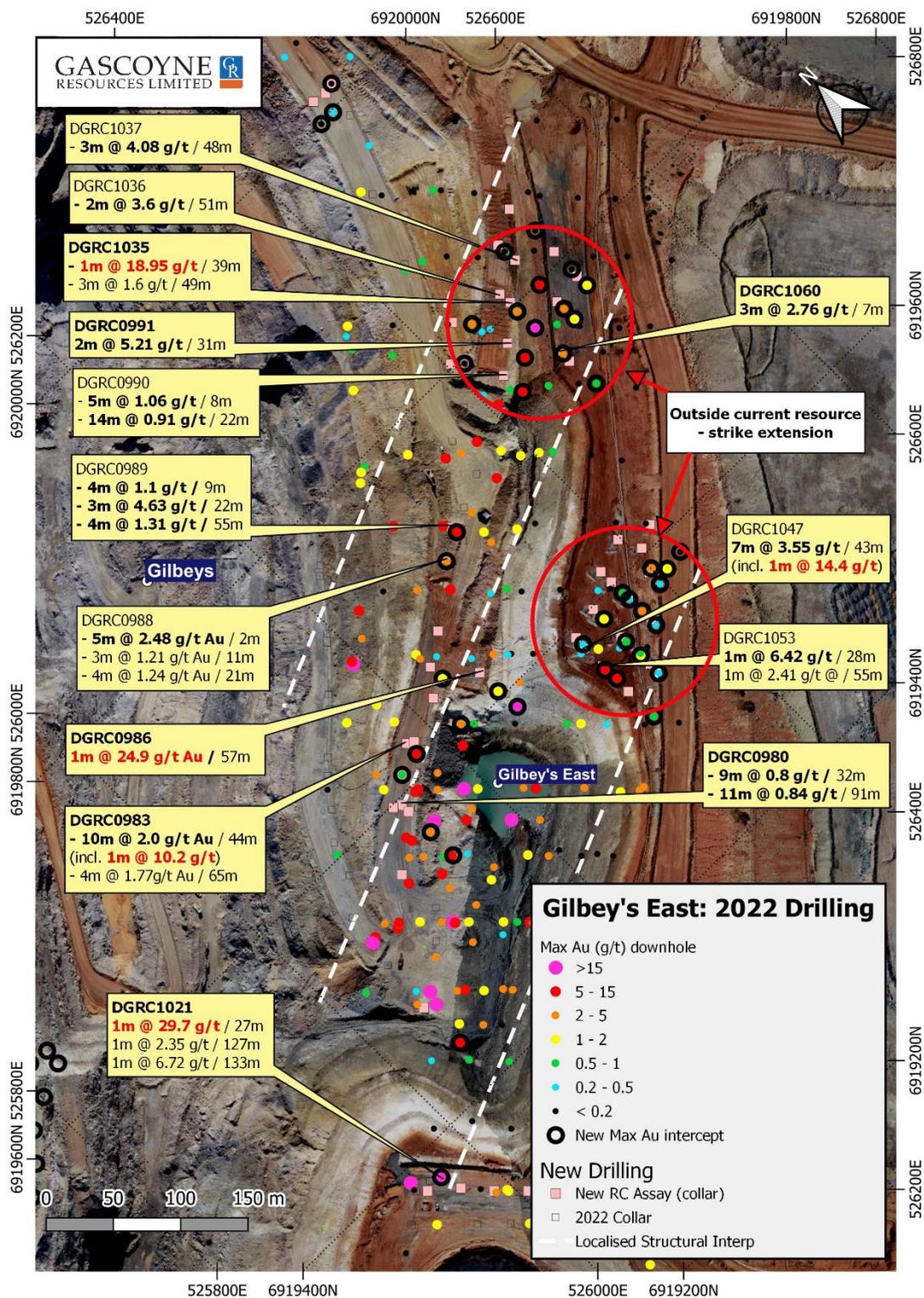


Figure 2: Plan view of Gilbey's East target area showing latest results testing along-strike and depth extensions.

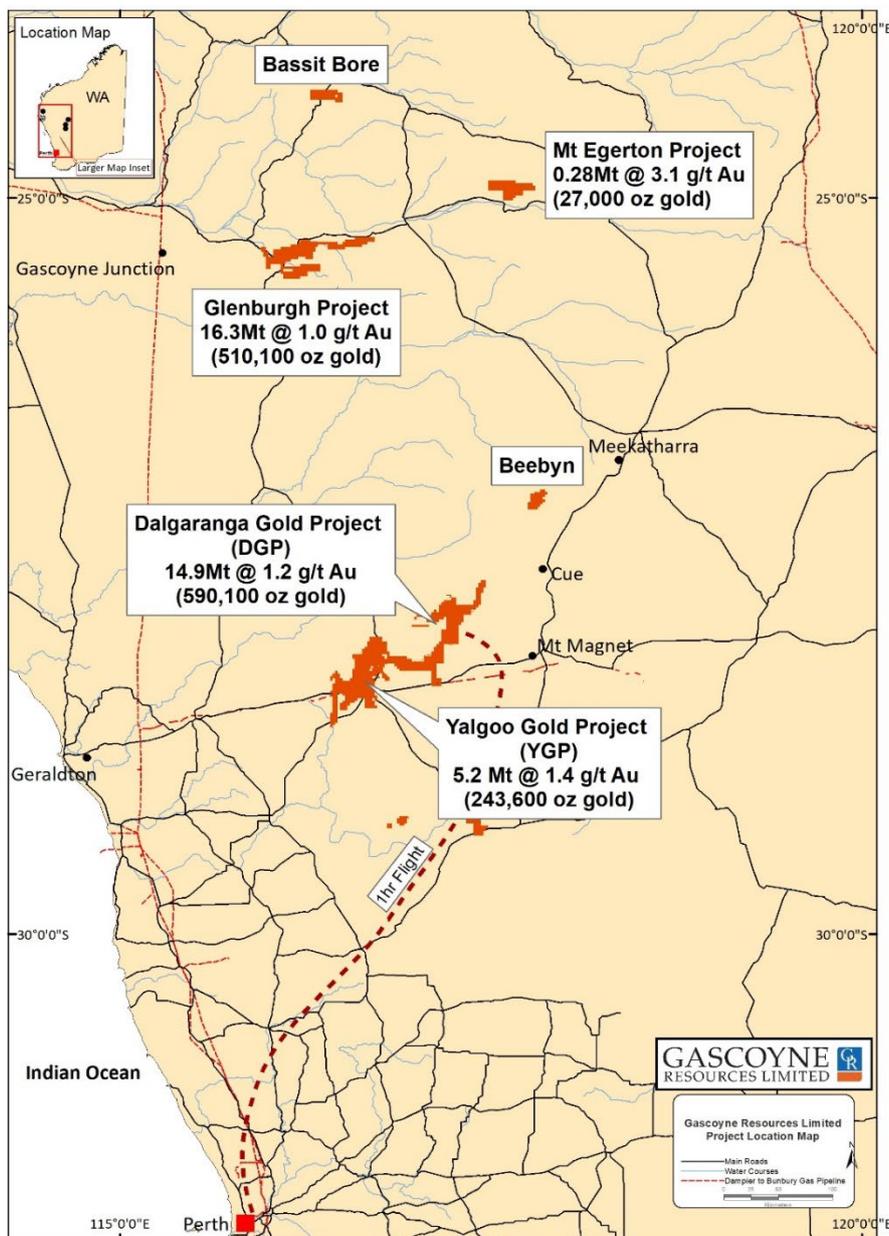


Figure 3: Location of Gascoyne Resources Ltd Projects

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 is a debt-free Australian gold producer which operates the 100%-owned Dalgaranga Gold Mine, located in the Murchison region of Western Australia. The operation is underpinned by a modern, 2.5Mtpa CIL gold processing plant which represents a strategic asset in the district. Dalgaranga produced over 71,000oz of gold in the 2022 financial year.

While production is currently sourced predominantly from the Gilbey's and Plymouth open pits, Gascoyne has enjoyed recent considerable near-mine exploration success which has highlighted the potential to develop new higher-grade ore sources within a 1-2km radius of the existing plant. These near-mine exploration activities are currently a priority focus for the Company and formed the basis for updated Mineral Resource Estimate and Ore Reserves released in the September 2022 Quarter.

GROUP MINERAL RESOURCES:

GROUP MINERAL RESOURCES			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	27.96	1.14	1,024.9
Inferred	8.19	1.25	328.3
GRAND TOTAL	36.74	1.16	1,370.8

Table A1: Group Mineral Resource Estimates for Gascoyne Resources Ltd (at various cut-offs)

MURCHISON REGION ¹			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	14.23	1.24	569.2
Inferred	5.35	1.44	246.9
TOTAL	20.17	1.29	833.7
GASCOYNE REGION ²			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.73	1.03	455.7
Inferred	2.84	0.89	81.4
TOTAL	16.57	1.01	537.1
GROUP MINERAL RESOURCES			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
GRAND TOTAL	36.74	1.16	1,370.8

Table A2: Group Mineral Resource Estimates by region for Gascoyne Resources Ltd (at various cut-offs)

- ¹ "Murchison Region" Mineral Resource includes Dalgaranga Gold Project (DGP) and Yalgoo Gold Project (YGP). The DGP also includes the Gilbey's North and Archie Rose mineral resources. Cut-off grades are 0.5g/t Au at DGP and 0.7g/t Au at YGP.
- ² "Gascoyne Region" Mineral Resource includes Glenburgh Gold Project (GGP) and Mt Egerton Gold Project (EGP). Cut-off grades range are 0.25g/t Au at GGP open pit, 2.0g/t Au at GGP underground, and 0.7g/t Au at EGP open pit.

MURCHISON REGION

DALGARANGA GOLD PROJECT (“DGP”)

The Dalgaranga Gold Project is located approximately 65km by road North-West of Mt Magnet in the Murchison Region of Western Australia and covers the majority of the Dalgaranga greenstone belt. The Dalgaranga Gold Project comprises several declared gold resources across more than 1,000km of tenure. Most gold resources at DGP are centred around the active Gilbey’s Mining Centre and the nearby 100% Gascoyne-owned 2.5Mtpa processing facility.

Recent near-mine exploration success has seen the discovery of an extension to the main Gilbey’s mineralised trend and the release of a 27koz maiden resource for the Gilbey’s North Gold Deposit 140m north of the main Gilbey’s open pit. During resource drill-out of the Gilbey’s North discovery, the very high-grade Never Never Gold Deposit was also discovered and an initial 78koz @ 3.8g/t gold resource recently declared. Both new gold deposits are mineralised from surface, remain open at depth, and are located within 1,000m of the 2.5Mtpa Dalgaranga process plant.

The Dalgaranga Gold Project is the flagship project for the company and is the single source of gold production for the company at this stage.

RESOURCES

DALGARANGA GOLD PROJECT (DGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.59	0.93	17.6
Indicated	10.88	1.17	408.8
Inferred	3.46	1.47	163.6
TOTAL	14.93	1.23	590.1

Table A3: DGP Mineral Resource statement for in-situ and surface stockpile resources above 0.5g/t Au

RESERVES

Dalgaranga Ore Reserves					
Classification	Oxidation state	COG (g/t Au)	Mt	Au g/t	Au koz
Proved	Oxide	0.50	-	-	-
	Transition	0.50	0.08	0.82	2.0
	Fresh	0.50	0.04	0.87	1.2
	Stockpiles	0.50	-	-	-
	Gold In circuit				1.0
	SUBTOTAL			0.12	1.10
Probable	Oxide	0.50	0.32	1.26	13.1
	Transition	0.50	0.23	1.87	13.6
	Fresh	0.50	1.37	0.94	41.2
	SUBTOTAL		1.92	1.10	67.9
Total			2.04	1.10	72.1

Table A4: DGP Ore Reserve statement for in-situ and surface stockpile resources above 0.5g/t Au

MURCHISON REGION (CONTINUED)

YALGOO GOLD PROJECT (YGP)

The Yalgoo Gold Project (YGP), centred around the Melville and Applecross Gold Deposits, is situated approximately 20km north of the township of Yalgoo in Western Australia and around 110km by road from the 2.5Mtpa Dalgara processing plant. The YGP was acquired by Gascoyne in late 2021 and has a number of advanced gold prospects to be explored, both in and around the declared gold resources, as well as throughout the expansive +1,000sqkm tenure package.

The updated Mineral Resource Estimates for YGP can be found in ASX release dated 6 December 2021 and titled “24% increase in Yalgoo Gold Resource to 243,613oz strengthens Dalgara Growth Pipeline”.

RESOURCES

YALGOO GOLD PROJECT (YGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	3.35	1.49	160.4
Inferred	1.88	1.37	83.2
TOTAL	5.24	1.45	243.6

Table A5: YGP Mineral Resource statement for in-situ resources above 0.7g/t Au.

RESERVES

There are no declared ore reserves for the YGP at this stage.

GASCOYNE REGION

There have been no material changes to the Gascoyne Region Mineral Resource Estimates since the previous reporting period. All details regarding the Mineral Resource Estimates of the Gascoyne Region were updated and released to the ASX on 18 December 2020 (“*Group Mineral Resources grow to over 1.3Moz*”) and 31 December 2021 (“*2021 Mineral Resource and Ore Reserve Statements*”).

GLENBURGH GOLD PROJECT (GGP)

The Glenburgh Gold Project is located in the Gascoyne region of Western Australia. The project is an advanced exploration project comprising 11 gold deposits split into 3 main gold enrichment zones along a 13km-long shear system.

RESOURCES

GLENBURGH GOLD PROJECT (GGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.50	1.0	430.7
Inferred	2.80	0.9	79.4
TOTAL	16.30	1.0	510.1

Table A6: GGP Mineral Resource statement for in-situ resources above 0.25g/t Au for open pit and above 2.0g/t Au for underground..

RESERVES

There are no declared ore reserves for the GGP at this stage.

MT EGERTON GOLD PROJECT (EGP)

The Mt Egerton Gold Project is located in the Gascoyne Region of Western Australia and situated approximately 170km east of the Glenburgh Gold Project. The current declared gold resource at Mt Egerton is made up of the high-grade Hibernian Gold Deposit. The entire Mt Egerton package is under-drilled, the Hibernian Deposit remains highly prospective for resource extension, both along-strike and down-plunge, and the advanced Gaffney’s Find gold prospect has returned some very good shallow high-grade gold hits.

RESOURCES

MT EGERTON GOLD PROJECT (EGP)			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	0.23	3.4	25.0
Inferred	0.04	1.5	2.0
TOTAL	0.27	3.1	27.0

Table A7: EGP Mineral Resource statement for in-situ resources above 0.7g/t Au.

RESERVES

There are no declared ore reserves for the EGP at this stage.



Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources at the Dalgaranga Gold Project is based on, and fairly represents information and supporting documentation reviewed, collated, and compiled by Mr Simon Lawson, a full-time employee and the Managing Director of Gascoyne Resources Limited. Mr Lawson is a professional geoscientist and Member of The Australian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves. Mr Lawson consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The Mineral Resource estimates for the Gilbey's, Gilbey's North, Never Never, Gilbey's South, Plymouth and Sly Fox deposits referred to in this announcement are extracted from the ASX announcement dated 8 September 2022 and titled "Gold Resources increase by 15.6% to 1.37Moz". 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 Ore Reserve estimates for the Gilbey's, Gilbey's North, Never Never, Gilbey's South, Plymouth and Sly Fox gold deposits at the Dalgaranga Gold Project referred to in this announcement are extracted from the ASX announcement dated 21 September 2022 and titled "2022 Ore Reserves – Interim Update". 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 Mineral Resource estimates for the Melville and Applecross deposits referred to in this announcement are extracted from the ASX announcement dated 6 December 2021 and titled "24% Increase in Resource Ounces at Yalgoo Gold Project". 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 Mineral Resources estimates for the Glenburgh Project referred to in this announcement are extracted from the ASX announcement dated 18 December 2020 and titled "Group Mineral Resources Grow to Over 1.3M oz". 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 Mineral Resources estimates for the Hibernian deposit at Mt Egerton referred to in this release are extracted from the ASX announcement dated 31 May 2021 and titled "2021 Mineral Resource and Ore Reserve Statements". 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.



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.