

ASX ANNOUNCEMENT

23 March 2023

MAJOR NEW RESOURCE GROWTH AND EXPLORATION CAMPAIGN COMMENCES AT DALGARANGA

**RC and diamond drilling underway to expand the high-grade 303koz Never
Never Resource and test nearby targets, with ground geophysics also in
progress to test for offset high-grade structural targets**

- Initial ~10,000m Reverse Circulation (RC) drill program underway at the Never Never Gold Deposit (current MRE: 303koz @ 4.64g/t Au), with the key objectives of:
 - Converting more of the Inferred component of the MRE (currently 48% of the total) to the higher confidence Indicated classification; and
 - Drilling the Unclassified areas of the existing Never Never MRE. These areas contain either a single high-grade intercept or widely-spaced high-grade intercepts along-strike or down-plunge of existing classified material and simply require further drilling to incorporate these ounces into the next MRE upgrade.
- The RC rig is also completing ~3,000m of “pre-collars” for deeper diamond drill-hole “tails” targeting extensions and conversion of the very high-grade Never Never underground Resource at depth.
- A diamond rig also commenced drilling today from a new RC pre-collar, and will move progressively across the Never Never Gold Deposit testing in and around the “Deepest 8” holes¹. The Deepest 8 all intersected high-grade gold mineralisation with the eight intercepts averaging 29.9m @ 8.9g/t gold.
- In addition to drilling, a substantial ground-based Sub-Audio Magnetic (SAM) geophysical survey also commences early next week.
- The SAM survey area is focused on characterising the structural framework of the Never Never Gold Deposit and defining similar areas around and further northward toward the historic Golden Wings Gold Deposit.
- Outside of the high-priority Never Never Gold Deposit, the rigs will move in tandem to drill ~3,000m into the nearby Never Never “lookalike” targets.
- Retail Entitlement Offer scheduled to close on Monday, 27 March 2023.

¹ Refer to Table 1 in this announcement for the list of holes included in the “Deepest 8”.



Gascoyne Resources Managing Director Simon Lawson said: *“We are very well positioned to drill out one of the best new high-grade gold systems discovered in recent years and, with an extensive multi-faceted exploration strategy underway right now around that key deposit, we expect to unlock more high-grade ounces in short order.*

“Never Never is growing with each drill-hole, the high-grade potential of the Never Never analogue 400m away at the north end of the Gilbey’s pit is really exciting, and our SAM geophysical survey will be like switching a light on in a once dark room. The architecture of the 2 square kilometre region around Never Never will be revealed.

“We have designed our exploration program to yield solid results in manageable timeframes targeting outstanding outcomes. We have mapped out where we need to drill, when we need results and what we expect to deliver. 2023 will be a big year for our small team and we are off to a cracking start!”

Gascoyne Resources Limited (“**Gascoyne**” or “**Company**”) (ASX: GCY) is pleased to advise that following the recent achievement of securing a \$50 million funding package, it has now commenced a multi-faceted exploration program aimed at rapidly growing the resource inventory at its Dalgaranga Gold Project in Western Australia.

The new exploration campaign is centred around the recently discovered, high-grade 303,000oz Au Never Never Gold Deposit, located on granted Mining Lease M59/749 just north of the existing Gilbey’s Pit.

Never Never is a high-grade gold deposit which strikes and plunges to the south-west. The deposit was discovered while following up wide, high-grade drill intercepts from the earlier Gilbey’s North extension discovery immediately north of the Gilbey’s open pit at Dalgaranga, and now represents the foundation of the Company’s new operating and growth plan.

Never Never is distinct from the Gilbey’s North discovery due to considerable differences in tenor, thickness of mineralisation, mineralogy, scale, orientation and host structure/rock-type. Never Never and Gilbey’s North deposits are now collectively known as the “Never Never deposit”.

Never Never is much higher grade than any of the previously defined ore bodies at Dalgaranga and appears to be far more structural, fold and/or shear-hosted as opposed to the more stratigraphy/shale associated Gilbey’s series of gold deposits.

An initial Mineral Resource Estimate (“**MRE**”) of 79,600 ounces gold for the Never Never Gold Deposit was released on 8 September 2022. On 23 January 2023, a substantial upgrade to the Never Never Gold Deposit MRE was released. This latest MRE incorporated all drill results received to date and increased the Never Never MRE total ounces by 183% to 303,100 ounces @ 4.64g/t gold (**comprising 1.0Mt @ 2.45g/t for 86,500oz Au “Open Pit” (>0.5g/t Au) and 0.93Mt @ 7.22g/t for 216,600oz Au “Underground” (>2.0g/t Au).**)

In February 2023, Gascoyne announced a \$50 million recapitalisation of the business and has now resumed exploration and evaluation activities focused on the Dalgaranga and Yalgoo Gold Projects.

This represents an exceptional opportunity for the rapid delineation of high-grade ounces, as illustrated in the figures below.

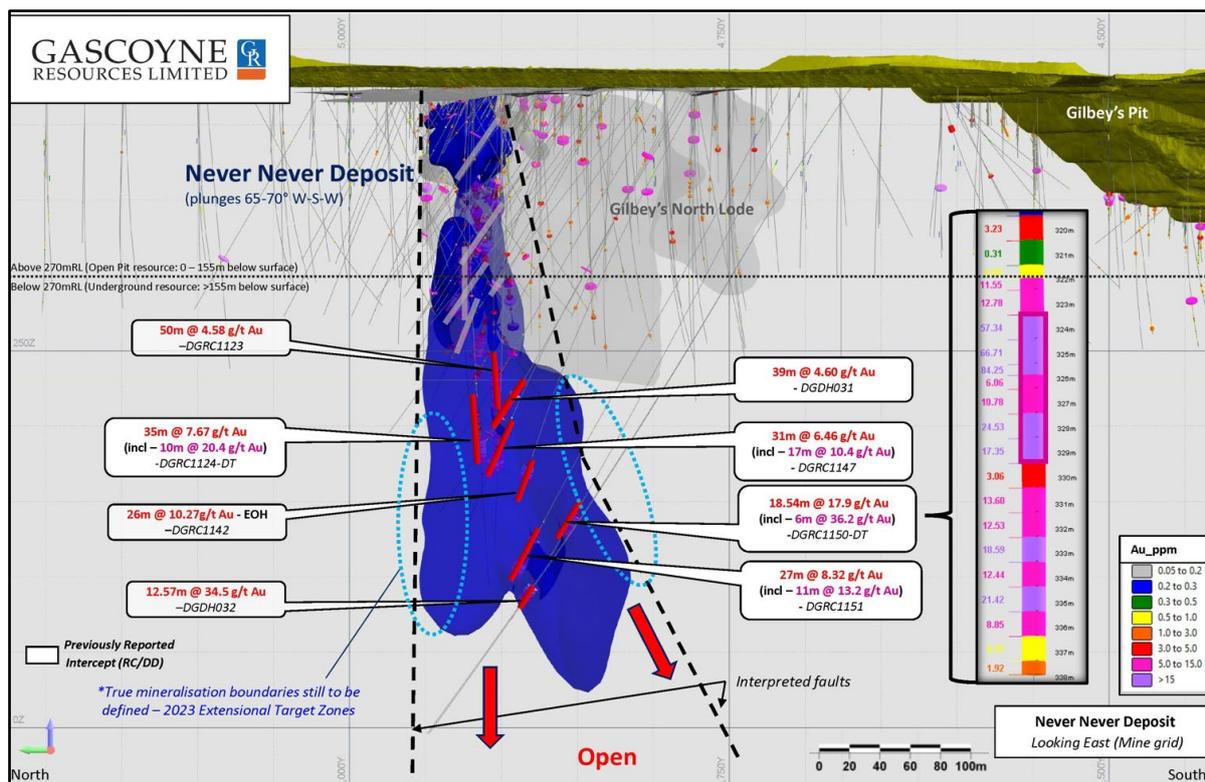


Figure 1: Section view looking east through the Never Never Gold Deposit illustrating the eight deepest drill-hole intercepts to date. These eight intercepts are from the only eight drill-holes completed at these depths and intercept the deposit at three different drill angles (north, north-east and east), averaging 29.9m @ 8.9g/t gold (down-hole intercept).

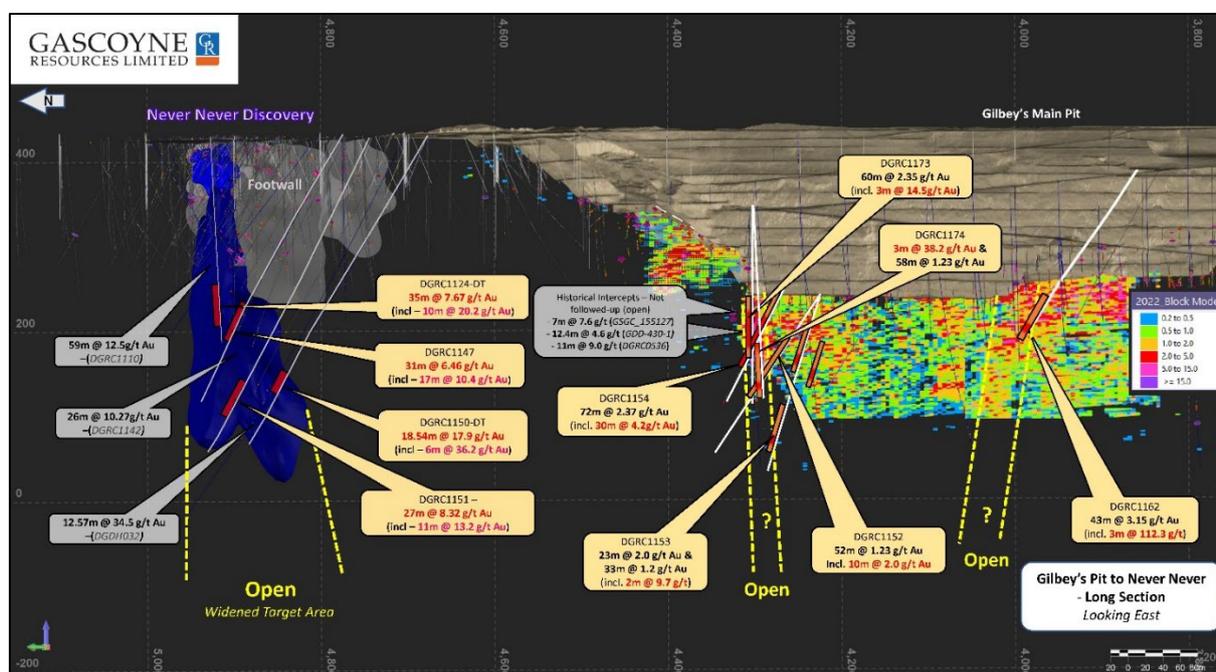


Figure 2: Long-section view looking east through the Gilbey's, Gilbey's North "footwall" and Never Never Gold Deposits (deposits in order from right to left). Note the yellow "train tracks" illustrate the two main target areas drilled during the initial targeting of Never Never "lookalikes" adjacent to the Gilbey's Pit. The northernmost "open" target (central to image) is adjacent to the high-grade "G-Fin" area mined in the main Gilbey's open pit which may represent a Never Never-style structure, which like Never Never, is orthogonal to the strike of the Gilbey's trend.

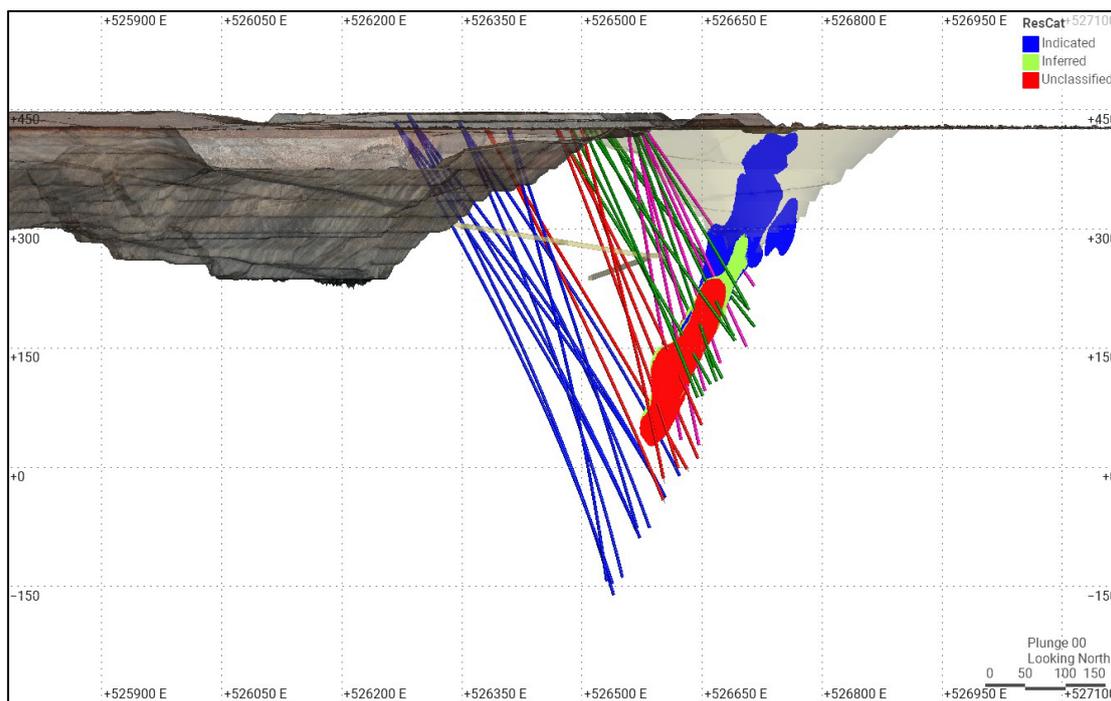


Figure 3: Section view of the Never Never Gold Deposit with planned drilling (looking north). This drilling is designed to fill identified data gaps, prove up areas of “unclassified” material in the current MRE and also test the along-strike and down-plunge extents of the resource.

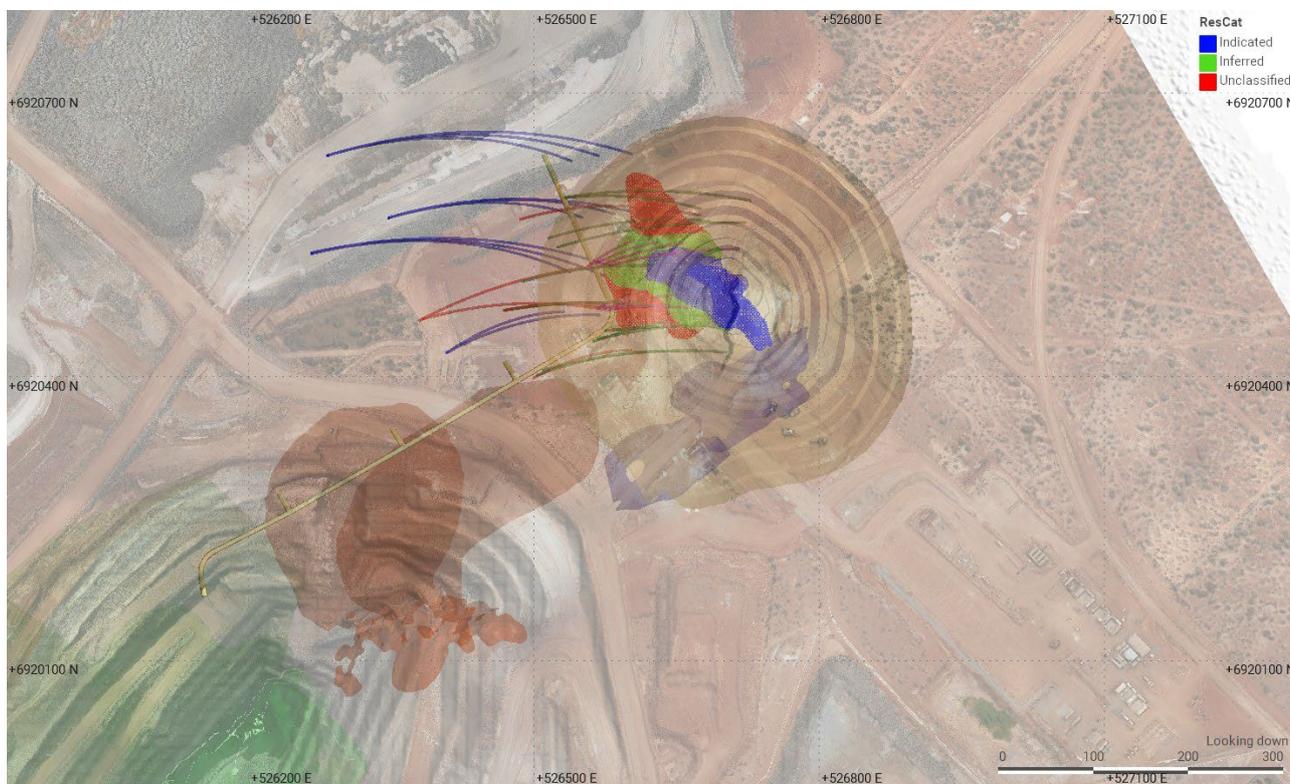


Figure 4: Plan view of the Never Never Gold Deposit with planned drilling. This drilling is designed to fill identified data gaps, prove up areas of “unclassified” material in the current MRE and also test the along-strike and down-plunge extents of the resource.



Figure 5: Photo of the Gascoyne 2023 Exploration Campaign now underway with the 2.5mtpa CIL process plant in the background.

Drill-hole Tables

Table 1: Drill-hole Results Table²

Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Comments
Never Never Gold Deposit – Deepest 8 Holes					
DGRC1143-DT	164	168	4	73.1	RC Pre-collar result
Incl.	164	165	1	274	Outside current MRE
	187	188	1	2.69	
	216	222	6	1.84	
DGRC1150-DT	319	337.54	18.54	17.88	Inside current MRE
Incl.	323	329	6	36.2	
DGRC1124-DT	225	260	35	7.67	Inside current MRE
Incl.	246	256	10	20.4	
DGRC1147	263	294	31	6.46	Inside current MRE
Incl.	276	293	17	10.4	
DGRC1151	342	369	27	8.32	Inside current MRE
Incl.	358	369	11	13.2	
DGRC1110	138	197	59	12.5	
DGRC1142	274	300	26	10.27	
DGDH032	397.43	410	12.57	34.5	Deepest intercept - VG
Never Never “lookalikes”					
DGRC1154	1	72	71	2.40	Possible “NN lookalike”
Incl.	40	70	30	4.2	
DGRC1173	71	79	8	2.87	
	141	201	60	2.35	Possible “NN lookalike”
Incl.	146	149	3	14.5	
DGRC1174	124	127	3	38.2	New HW position
	124	125	1	106.7	
	167	225	58	1.23	Possible “NN lookalike”
	203	214	11	2.56	Possible “NN lookalike”
DGRC1162	194	204	10	1.7	
	253	296	43	3.15	(using 50 g/t Cut-off)
Incl.	256	259	3	112.2	Possible “NN lookalike”
Incl.	257	258	1	292.6	
Historical Intercepts - Gilbey’s Pit					
DGRC0536	232	243	11	9.0	RC - 2021
GDD-430-1	255.6	268	12.4	4.6	DDH - 1997
GSGC_155127	47	54	7	7.6	RC - 2022

0.5 g/t lower cut-off, maximum 3m internal waste for significant intercepts

Glossary of terms

“NN” = Never Never Gold Deposit

“HW” = Hanging Wall (the overhanging wall to an orebody when mined)

“MRE” = Mineral Resource Estimate

“VG” = Visible Gold

² Refer to ASX releases dated 16 August 2022, 24 October 2022 and 12 December 2022 for further details on the results from each of these holes.

Table 2: Drill-hole Collar Table

Hole Id	Target	Depth	MGA Easting	MGA Northing	RL (m)	Azi	Dip
DGRC1143-DT	NN	285.8	526593	6920436	426	39	-54
DGRC1150-DT	NN	403	526489	6920394	425	39	-63
DGRC1124-DT	NN	347.7	526607	6920582	425	130	-75
DGRC1147	NN	324	526555	6920429	425	38.5	59
DGRC1151	NN	390	526485	6920418	425	42	-64.9
DGRC1152	Gilbey's	198	526189	6920030	235	14	-50.9
DGRC1153	Gilbey's	198	526188	6920031	235	346.44	-60.49
DGRC1154	Gilbey's	150	526230	6920052	235	18	-54
DGRC1162	Gilbey's	302	525849	6919841	382	86	-45
DGRC1173	Gilbey's	258	526172	6920147	336	121	-65
DGRC1174	Gilbey's	246	526170	6920149	336	121	-75

Glossary of terms

"NN" = Never Never Gold Deposit

Retail Entitlement Offer Closing Date

Gascoyne wishes to take this opportunity to remind all eligible retail shareholders that the closing date of the retail entitlement offer is Monday, 27 March 2023.

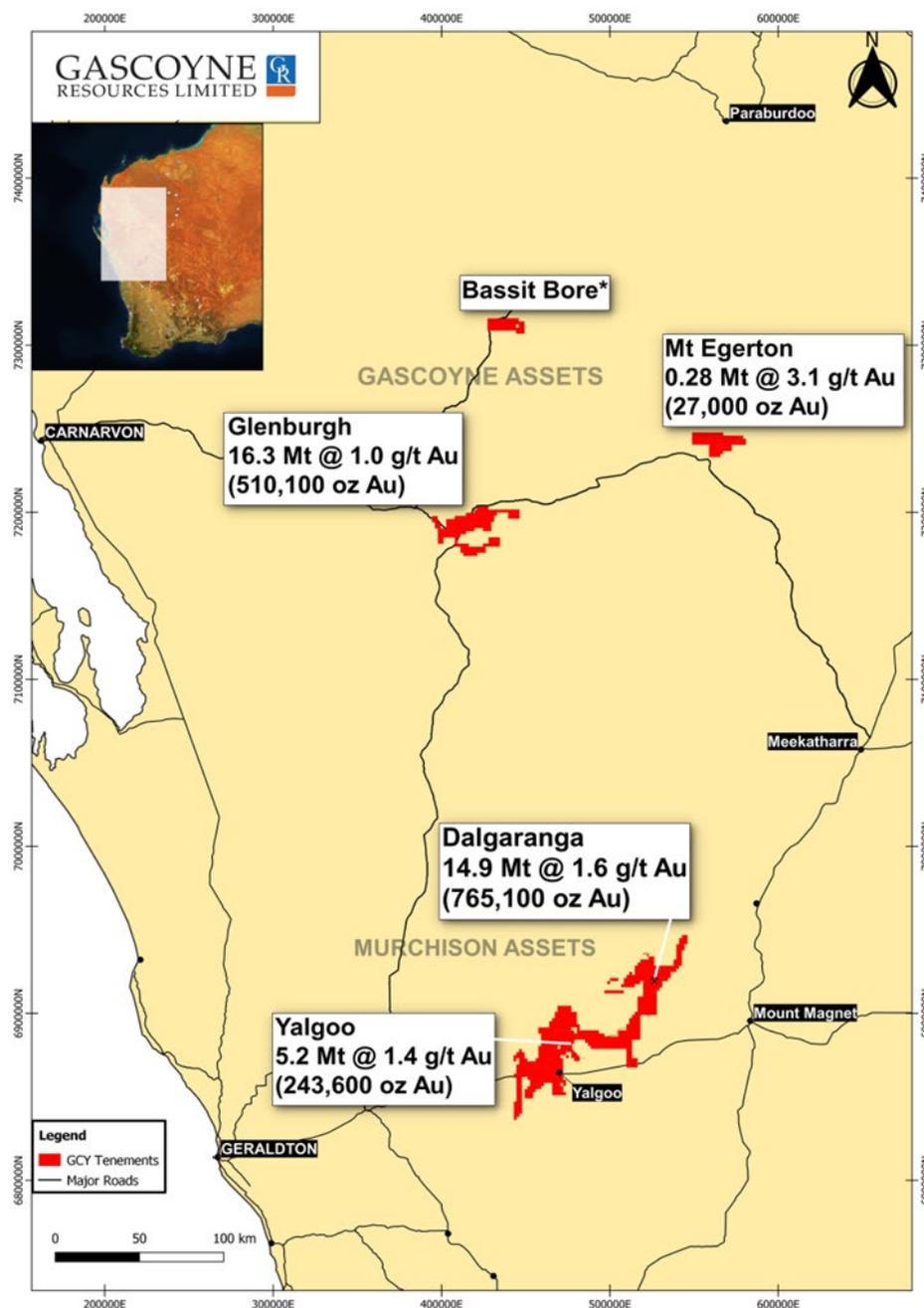


Figure 6: Location of Gascoyne Resources Limited Projects

Authorisation

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

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BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited (ASX: GCY) is an ASX-listed gold company which is currently undergoing a transformational restructure and repositioning as an advanced exploration company with a rapid pathway back into production at its Dalgaranga Gold Project, located 65km north-west of Mt Magnet in the Murchison District of Western Australia.

Dalgaranga produced over 70,000oz of gold in FY2022 before being placed on care and maintenance in November 2022 to implement an operational reset designed to preserve the value of its extensive infrastructure and Resource base while developing a new, sustainable operating plan.

This approach is underpinned by the exceptional high-grade Never Never gold discovery, which was made in 2022 just 1km from the existing 2.5Mtpa carbon-in-leach processing facility and the main open pit at Dalgaranga.

Gascoyne has moved to rapidly unlock the potential of this significant discovery, which comprises a current JORC Mineral Resource of 303,100oz at an average grade of 4.64g/t, plus a substantial Exploration Target ([read the announcement here](#)).

The Company has secured a landmark \$50 million funding package to underpin an 18-month exploration and strategic plan targeting:

- A +300koz Reserve at a grade exceeding 4.0g/t Au at Never Never;
- A +600koz Resource at a grade exceeding 5.0g/t Au at Never Never;
- The development of a 5-year mine plan aimed at delivering 130-150koz per annum.

This updated strategy is centred around an aggressive exploration program at Never Never designed to target Resource expansion, Reserve definition and near-mine exploration drilling targeting Never Never “lookalikes”.

Gascoyne also intends to undertake the development of an underground exploration drill drive. Underground drill platforms will be utilised for Never Never underground Reserve drilling, as well as to test depth extensions of the current 303koz Resource.

In addition to its near-mine exploration at Dalgaranga, Gascoyne is actively exploring more than 500km² of surrounding exploration tenements and also owns the advanced 244koz Yalgoo Gold Project, where permitting activities are well advanced to establish a potential satellite mining operation at the Melville deposit.

In addition to Dalgaranga and Yalgoo, the Company’s 527koz advanced exploration and development project at Glenburgh–Mt Egerton, located ~300km north of Dalgaranga, has the potential to be a second production hub.

The Company’s Values, “**Putting HEARTS into Mining**” through Honesty, Excellence, Accountability, Resilience, Teamwork and Safety are core to who we are and how we work together and with the community.

GROUP MINERAL RESOURCES:

Total Group Mineral Resources

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	1.0	15.2
Indicated	27.82	1.2	1,117.5
Inferred	8.39	1.5	413.1
GRAND TOTAL	36.71	1.3	1,545.8

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

Murchison Region Mineral Resources (DGP & YGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	1.0	15.2
Indicated	14.09	1.5	661.8
Inferred	5.55	1.9	331.7
TOTAL	20.14	1.6	1,008.7

Table A2: Combined Mineral Resource Statement for the Murchison Region, includes the Dalgaranga Gold Project (DGP) and Yalgoo Gold Project (YGP)

Dalgaranga Gold Project (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	1.0	15.2
Indicated	10.73	1.5	501.4
Inferred	3.67	2.1	248.4
TOTAL	14.9	1.6	765.1

Table A3: The DGP includes in-situ mineral resources for the Never Never Gold Deposit, the Gilbey's Complex Group of Gold Deposits, and the Archie Rose Gold Deposit.

Never Never Gold Deposit Mineral Resource Estimate (DGP)

NEVER NEVER GOLD DEPOSIT – MINING TYPE			
“Open Pit” Resource >0.5gpt Au <270mRL			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	0.93	2.68	79.9
Inferred	0.17	1.19	6.6
TOTAL	1.10	2.45	86.5
“Underground” Resource >2.0gpt Au >270mRL			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	0.40	6.00	77.4
Inferred	0.53	8.13	139.2
TOTAL	0.93	7.22	216.6
TOTAL NEVER NEVER GOLD DEPOSIT – MINING TYPE			
Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	1.33	3.69	157.3
Inferred	0.71	6.43	145.8
GRAND TOTAL	2.03	4.64	303.1

Table A4: The Never Never Gold Deposit includes in-situ the Gilbey’s North and Never Never Lodes. Reporting cut-off grades are 0.5g/t Au for Open Pit defined mineral resources and 2.0g/t Au for Underground defined mineral resources.

“Gilbey’s Complex” Mineral Resource Estimate (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Measured	0.50	0.95	15.2
Indicated	9.41	1.06	344.1
Inferred	1.76	0.86	63.6
TOTAL	11.66	1.13	422.9

Table A5: Gilbey’s Complex Mineral Resource Estimate Statement for in-situ resources above 0.5g/t Au (depleted to Dec 2022)

Apart from mining depletion between 1 July 2022 and 31 December 2022, no material changes have been made to the Gilbey’s Complex (Gilbey’s Main, Sly Fox and Plymouth deposits) MRE since they were released by Gascoyne in September 2022. As such the details of the MRE can be found in ASX release dated 8 September 2022 and titled “Group Gold Resources Increase by 15.6% to 1.37Moz with Resource Grade up by 29%”.

Archie Rose Gold Deposit Mineral Resource Estimate (DGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Inferred	1.21	1.01	39.1
TOTAL	1.21	1.01	39.1

Table A6: Archie Rose Initial Mineral Resource statement for in-situ resources above 0.5g/t Au.

No material changes have been made to the Archie Rose deposit MRE since they were released by Gascoyne in September 2022. As such the details of the MRE can be found in ASX release dated 8 September 2022 and titled “Group Gold Resources Increase by 15.6% to 1.37Moz with Resource Grade up by 29%”.

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 A7: The YGP includes in-situ mineral resources for the Melville and Applecross Gold Deposits. Reporting cut-off grades are g/t Au.

No material changes have been made to the Melville or Applecross Gold Deposit MRE, as a whole the “Yalgoo Gold Project”, since they were released by Gascoyne Resources in December 2021. As such the details of those individual MRE can be found in ASX release dated 6 December 2021 and titled “24% increase in Yalgoo Gold Resource to 243,613oz strengthens Dalgaranga Growth Pipeline”.

Gascoyne Region Mineral Resources (GRP)

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

Table A8: Gascoyne Region Total Mineral Resource statement includes the Glenburgh Gold Project (GGP) and the Mt Egerton Gold Project (EGP)

No material changes have been made to the Mineral Resource Estimates of the Glenburgh Gold Project or the Mt Egerton Gold Project since they were released by Gascoyne Resources in May 2021. The detail of the Glenburgh MRE can be found in ASX release dated 17 December 2020 and titled “Group Mineral Resources Grow to Over 1.3Moz”. Detail for the Mt Egerton MRE can be found in ASX release dated 31 May 2021 and titled “2021 Mineral Resource and Ore Reserve Statements”.

Glenburgh Gold Project (GGP)

Category	Tonnes (Mt)	Grade (g/t)	Contained Metal (koz Au)
Indicated	13.5	1.0	430.7
Inferred	2.8	0.9	79.4
TOTAL	16.3	1.0	510.1

Table A9: The Glenburgh Gold Project Mineral Resource Estimate for in-situ resources above 0.25g/t Au for open pit defined mineral resources and above 2.0g/t Au for Underground defined mineral 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 A10: The Mount Egerton Gold Project Mineral Resource Estimate for in-situ resources above 0.70g/t Au for open pit defined mineral resources.

Competent Persons Statement

The Mineral Resource estimates for the Dalgaranga Gold Project referred to in this presentation are extracted from the ASX announcement dated 23 January 2023 and titled “Never Never Resource Jumps by 183% to 303,100oz with Resource Grade up 99% to 4.64g/t”. 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 Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements. The Competent Person responsible for reporting of those Mineral Resource estimates was Mr Nicholas Jolly.

The Mineral Resource estimates for the Gilbey’s North and Never Never deposits (collectively the “Never Never deposits”) referred to in this presentation are extracted from the ASX announcement dated 23 January 2023 and titled “Never Never Resource Jumps by 183% to 303,100oz with Resource Grade up 99% to 4.64g/t”. 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 Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements. The Competent Person responsible for reporting of those Mineral Resource estimates was Mr Nicholas Jolly.

The Mineral Resource estimates for the Gilbey’s, Gilbey’s South, Plymouth, Archie Rose and Sly Fox deposits referred to in this presentation are extracted from the ASX announcement dated 8 September 2022 and titled “Gold Resources increase by 15.6% to 1.37Moz with Resource Grade up by 29%”. 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.



Information in this announcement relating to exploration results from the Dalgaranga Gold Project (Gilbey's, Gilbey's South, Plymouth, Sly Fox and Gilbey's North / Never deposits) are based on, and fairly represents data compiled by Gascoyne's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion of the data in the form and context in which it appears.

The Mineral Resource estimate for the Yalgoo Gold Project referred to in this announcement is extracted from the ASX announcement dated 6 December 202 and titled "24% Increase in in Yalgoo Gold Resource to 243,613oz Strengthens Dalgaranga Growth Pipeline". 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 estimate for the Glenburgh Project referred to in this announcement is 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 Resource estimate for the Mt Egerton Project referred to in this announcement is 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.

Information in this announcement relating to the Glenburgh and Mt Egerton Gold Projects is based on, and fairly represents, data compiled by Gascoyne's Senior Exploration Geologist Mr Monty Graham, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Graham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results. Mr Graham consents to the inclusion in this announcement of the data relating to the Glenburgh and Mt Egerton Gold Projects in the form and context in which it appears.



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.