

5th July 2012
Australian Securities Exchange Limited
Via Electronic Lodgement

GLENBURGH EXPLORATION & FEASIBILITY UPDATE

EXPLORATION UPDATE:

- Recent infill RC Drilling results include
 - Icon Deposit
 - 9m @ 4.8 g/t gold
 - 6m @ 5.9 g/t gold
 - 21m @ 1.5 g/t gold
 - 23m @ 1.5 g/t gold
 - Zone 102 Deposit
 - 12@ 2.5 g/t gold inc 5m@ 5.1
 - 10m @ 2.4 g/t gold
 - 8m @ 2.3g/t gold
 - 3m @ 7.5 g/t gold
 - 13m @ 2.1 g/t gold
- One metre re sampling of GBD021 at Icon confirms the high grade extensional zone with intersections including **7m @ 5.2g/t gold, 28m @ 3.1 g/t gold inc. 3m @ 25.1 g/t gold**
- Exploration Drilling below the high grade plunging shoot at Zone 126 is underway, two diamond holes have been completed with results expected within two weeks
- Infill RC Drilling has now been completed, results from 64 additional holes are expected before the end of July
- Exploration Drilling with one multipurpose (RC / Diamond) rig is ongoing at **Zone 126, Zone 102, Icon and Apollo**

FEASIBILITY UPDATE:

- Metallurgical drilling completed and test work underway
- Geotechnical drilling completed with analysis underway
- Production water bores completed with pump testing to commence early July
- Autumn Environmental baseline studies completed

Gascoyne Resources Limited is pleased to provide an update on the exploration and feasibility activities from the 100% owned Glenburgh gold project in Western Australia, which has a JORC resources of over 700,000oz of gold.



Exploration Update:

Recent results received from infill drilling of the Icon and Zone 102 deposits continues to confirm or exceed the grades and thicknesses expected from the resource models.

Icon Deposit:

Assay results from a further 34 RC hole have been received from the western half of the Icon deposit (6.4Mt @ 1.1g/t gold for 216,700 contained ounces). These results include high grade zones of **9m @ 4.8 g/t gold from 62m in VRC 673 and 6m @ 5.9 g/t gold from 65m in VRC 678** (see table one for significant intersections, and table two for hole collar details).

The infill drilling has now been completed at both the Apollo and Icon deposits which contain the bulk of the Glenburgh project gold resources (combined total of 319,500 ounces of gold). The infill drilling program has confirmed the continuity of the gold mineralisation and the company's confidence in the resource models which will allow the upgrade of the Icon and Apollo resources to JORC Indicated status, to permit estimation of an Ore Reserve for the Feasibility Study.

In addition to the infill drilling, re sampling of the composite samples from extensional drill hole GBD021 at Icon, have been received with the re-split single metre samples confirming the high grade composite results. The single metre assay results included **7m @ 5.2 g/t gold** (from 93m) including **4m @ 8.3 g/t gold** (original composite sample results were 8m @ 6.3 g/t gold) and **28m @ 3.1 g/t gold** (from 116m) including **3m @ 25.1 g/t gold** (original composite sample results were 28m @ 3.0 g/t gold including 4m @ 17.3 g/t gold).

As previously announced (28th May 2012) four diamond holes have been planned to test the extensions of a number of high grade pods (up to **45 g/t gold**) within the Icon Deposit, and depth potential of the deposit. Diamond drilling of these holes is underway and is expected to take 10 days to complete with results expected in mid August.

Zone 102 Deposit:

Infill drilling of 26 holes has been completed at the Zone 102 deposit (1.5Mt @ 1.8 g/t gold for 86,500 contained ounces). These results have confirmed the grades and widths expected from the resource models. Individual results include **12m @ 2.5g/t gold** from 91m in VRC710, **9m @ 2.4 g/t gold** from 68m in VRC716, **10m @ 2.4 g/t gold** from 79m in VRC718 and **13m @ 2.1 g/t gold** from 106m in VRC724 (see table one for significant intersections, and table two for hole collar details).

Zone 126 Deposit:

Diamond drilling to test the depth extension of the high grade plunging Zone 126 deposit approximately 120m vertically below the deepest intersection is underway. To date, two diamond holes have been completed. The first has already been geologically logged and dispatched for processing and analysis in Perth. The drill core will be cut and analysed by Intertek - Genalysis in Perth, with results expected in around two weeks. The core from the second hole is expected to be dispatched later this week, with results in around three weeks.

Shallow RC drilling has also been completed to test the limits of the plunging shoot. Results of these holes are pending and are expected in around two weeks.

A further 3 diamond holes are planned to test the extensions to the high grade shoot. These are scheduled to commence once the results from the first hole have been received and significance determined, which as mentioned above is by mid July.

Feasibility Update:

While exploration and resource development has been a focus for the last few months, the long lead time activities for the current feasibility study have also been progressing well. Recent activities include:

Metallurgy:

Detailed metallurgical test work is underway to confirm the excellent leaching recoveries received from previous test work which resulted in +95% recovery, 45-50% gravity gold recovery and very rapid leach kinetics.

With optimisation it is expected that overall recoveries of between 95 and 97% will be achieved.

Four large diameter diamond drill holes have been completed to provide the material for the detailed test work required for the feasibility. The holes have been completed to allow individual samples of all the expected rock units (both fresh rock and oxidised rock) for the four main deposits. One hole was drilled at each of the Icon, Apollo, Zone 102 and Zone 126 deposits. A total of 12 composite samples have been created and test work is underway at Ammtec metallurgical laboratory in Perth.

In addition to this test work, a further 6 metallurgical composite samples have been collected from the infill RC drilling reserve samples. These samples will provide additional data for the leaching characteristics of the deposits.

The results of this program will assist in determining the optimum flow sheet design for the project

Geotechnical:

The scoping study highlighted the project's sensitivity to waste mining costs; as a result detailed geotechnical assessment of the four main pits is underway. This has included drilling of 10 specifically designed geotechnical diamond drill holes, to assess the structures expected to be intersected by the pit walls. These holes have been completed and preliminary geological logging completed, with detailed geotechnical assessment scheduled for July.

This program will include pit wall stability modelling to determine the pit wall angles that can safely be used to optimise resource conversion into reserve.

Hydrogeology:

During the scoping study, a number of conceptual process water targets were identified. As part of the feasibility, these targets needed to be tested. As a result a total of 4 production bores have been drilled and constructed. These bores intersected a significant amount of water with flows of around 5 litres per second from the air lift tests. As a result a pump testing contractor has been engaged to complete 48 hour pump tests on each of the bores. They are expected to mobilise to Glenburgh early next week.

While these four bores alone are not expected to provide all of the process water supply (of around 1.0 Mt of water per annum), they are expected to confirm the regional aquifer can provide the project's overall process water requirements.

Environmental Baseline Studies:

The company completed a "level one" flora and fauna study as part of the scoping study, which did not identify any significant or rare types of flora or fauna in the project area.

As part of the approvals process required for the development of the project, flora and fauna studies are required to assess the environmental impact the project will have. Part of this process is to conduct seasonal baseline studies of both the local flora and fauna (during Autumn and Spring).

The autumn flora and fauna baseline studies have now been completed. While the final report has not yet been received, indications from the botanist and zoologist who undertook the surveys suggest that no environmental impediments to development were discovered.

The Spring Survey has been scheduled for September of this year.

Forward Program

The 40,000 metre program is progressing well ahead of schedule. To date around 25,000 metres have been completed.

Infill drilling to allow resource conversion from Inferred to Indicated as part of the current feasibility study has been completed. Samples from a total of 64 drill holes are currently awaiting analysis in Perth. These results are expected in the next two to three weeks.

In addition to the samples currently awaiting analysis, a further 8 diamond holes have been planned.


These holes will be drilled over the next 5 weeks and results then included in a resource update expected in August or early September.

In addition to the priority drill targets above, the following activities are planned.

- Detailed infill geochemical sampling of historical soil anomalies along strike from the Zone 126 deposit that remain untested.
- Exploration drilling of a number of priority geochemical anomalies.
- Shallow geochemical RAB /Aircore drilling to test historical targets
- Resource modeling
- Pit optimizations and associated mine designs

Further results and information will be provided as they become available.

On behalf of the Board of
Gascoyne Resources Ltd



Michael Dunbar
Managing Director

**Table 1: Significant New Intersections from Infill Drilling at Icon and Zone 102
(>0.5 g/t gold)**

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
Icon Deposit Infill Drilling					
VRC647	10	12	2	1.0	
	66	73	7	0.7	
	79	86	7	1.4	
VRC648	13	16	3	0.8	
	35	37	2	0.8	
inc	91	120	29	1.0	EOH
	101	104	3	3.7	
VRC649	129	134	5	2.3	
	149	159	10	0.5	
VRC650	2	3	1	0.6	
VRC670	20	28	8	0.5	
	67	89	22	1.2	
inc	80	83	3	4.9	
	113	115	2	1.9	
VRC672	29	30	1	1.6	
	37	41	4	0.8	
	51	55	4	0.6	
	82	87	5	0.5	
	132	147	15	0.9	
	153	154	1	1.1	
VRC673	62	71	9	4.8	
	76	108	32	0.8	
	126	127	1	0.9	
VRC675	35	38	3	0.7	
	94	98	4	0.4	
VRC676	0	26	26	0.9	
	99	104	5	0.7	
VRC677	21	22	1	1.2	
	42	62	20	1.2	
	82	83	1	1.5	
	103	104	1	1.3	
	111	134	23	1.5	
inc	126	133	7	3.0	
VRC678	51	52	1	1.0	
	65	71	6	5.9	
inc	65	68	3	10.1	
	83	116	33	1.0	
	126	136	10	0.9	
	144	146	2	0.8	
	153	156	3	0.9	
VRC679	3	5	2	0.8	
	15	16	1	1.2	

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Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
	27	31	4	6.6	
VRC680	2	8	6	0.8	
VRC681	27	28	1	1.1	
	33	38	5	0.9	
	46	54	8	2.2	
	69	78	9	0.6	
	102	105	3	0.6	
	110	114	4	5.4	
VRC682	65	75	1	1.1	
	83	85	2	0.5	
	97	102	5	0.5	
VRC683	84	108	2	0.9	
	116	137	2	1.5	
VRC684	33	34	1	0.8	
	120	122	2	0.7	
	131	134	3	1.7	
	144	148	4	0.5	
VRC685	18	20	2	1.3	
VRC686	6	18	1	0.6	
	53	55	2	0.8	
VRC687	40	51	1	0.9	
	56	64	8	0.5	
	82	87	5	2.3	
	104	106	2	0.8	
VRC688	30	32	2	0.6	
	42	43	1	0.9	
	55	78	2	1.5	
inc	71	75	4	4.2	
	87	94	7	2.1	
inc	92	94	2	6.4	
	108	111	3	0.6	
	116	120	4	4.8	EOH
inc	119	120	1	16.7	EOH
VRC689	1	2	1	0.6	
	67	69	2	1.3	
	84	114	3	0.7	EOH
VRC690	45	46	1	1.6	
	99	102	3	0.6	
	112	113	1	0.7	
	122	127	5	1.1	
VRC691	30	38	8	1.3	
	157	164	7	0.5	
VRC692	137	138	1	0.6	
	154	161	7	0.6	
VRC693	20	21	1	0.6	
	26	30	4	0.6	

Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
	47	50	3	1.8	
VRC694	6	21	1	0.7	
	30	32	2	1.5	
	55	63	8	0.6	
VRC695	13	25	1	1.9	
inc	14	19	5	3.8	
	30	52	2	1.6	
inc	47	52	5	3.2	
	90	97	7	0.5	
VRC696	31	32	1	1.4	
	40	51	1	0.9	
	57	59	2	1.2	
	77	81	4	0.6	
VRC697	62	81	1	1.2	
	101	104	3	0.8	
VRC698	6	23	1	0.8	
	32	34	2	0.6	
	40	43	3	0.8	
	54	57	3	0.6	
VRC699	6	11	5	0.9	
	16	17	1	0.6	
	45	56	1	1.5	
	67	68	1	1.2	
VRC700	69	70	1	0.6	EOH
Zone 102 Deposit Infill Drilling					
VRC701	6	7	1	1.1	
VRC702	40	42	2	1.0	
VRC703	23	28	5	0.7	
VRC704	35	44	9	0.5	
	59	66	7	2.0	
inc	61	63	2	5.7	
VRC705	44	45	1	2.5	
	61	63	2	0.8	
	70	74	4	1.6	
	95	98	3	1.9	
VRC707	3	7	4	0.5	
VRC708	10	11	1	0.5	
VRC709	34	37	3	1.0	
VRC710	53	54	1	1.0	
	91	103	1	2.5	
inc	97	102	5	5.1	
	109	110	1	2.3	
VRC711	93	94	1	7.3	
	100	108	8	0.7	
	134	137	3	0.6	

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Hole ID	From (m)	To (m)	Interval (m)	Au Grade g/t	Comments
VRC713	102	113	1	0.7	
	120	121	1	0.6	
	127	140	1	1.0	EOH
VRC714	31	33	1	0.5	
VRC716	68	77	9	2.4	
inc	69	71	2	7.7	
VRC717	108	111	3	0.7	
	118	120	2	0.9	
	134	135	1	2.0	
VRC718	79	89	1	2.4	
inc	79	83	4	3.7	
and	87	88	1	7.3	
	100	101	1	1.0	
	119	141	2	1.2	
inc	122	130	8	2.3	
	167	172	5	0.9	
VRC719	84	88	4	1.1	
	103	104	1	1.2	
	112	123	1	1.5	
inc	112	114	2	4.9	
	128	132	4	1.5	
	138	145	7	0.5	
	162	166	4	1.5	
VRC720	102	104	2	0.9	
	110	127	1	0.9	
	144	147	3	7.5	
	163	170	7	0.6	
VRC721	84	88	4	3.1	
	99	100	1	1.4	
	107	108	1	1.1	
	114	120	6	1.2	
	131	134	3	1.0	
	141	142	1	1.4	
VRC722	14	17	3	1.5	
	39	44	5	1.9	
VRC723	67	68	1	1.1	
	96	100	4	0.5	
VRC724	106	119	1	2.1	
	163	167	4	0.9	
VRC725	42	46	4	3.3	
GBD021	93	100	7	5.2	Single metre re-samples of previous 4m composites
	93	97	4	8.3	
	116	144	28	3.1	
	116	119	3	25.1	

Table 2: Drill Hole Locations and Details

Hole Number	MGA Easting	MGA Northing	Local Easting	Local Northing	RL	Depth	Dip	MGA Azimuth	Local Azimuth	Prospect
VRC647	409718	7191450	11175	10075	290	90	-60	155	180	Icon
VRC648	409708	7191472	11175	10100	290	120	-60	155	180	Icon
VRC649	409671	7191494	11150	10135	290	170	-60	155	180	Icon
VRC650	409704	7191361	11125	10000	290	30	-60	155	180	Icon
VRC670	409526	7191389	10975	10100	290	120	-60	155	180	Icon
VRC672	409505	7191434	10975	10150	290	180	-60	155	180	Icon
VRC673	409495	7191457	10975	10175	290	150	-60	155	180	Icon
VRC674	409491	7191345	10925	10075	290	80	-60	155	180	Icon
VRC675	409481	7191368	10925	10100	290	120	-60	155	180	Icon
VRC676	409470	7191391	10925	10125	290	150	-60	155	180	Icon
VRC677	409460	7191413	10925	10150	290	160	-60	155	180	Icon
VRC678	409450	7191436	10925	10175	290	160	-60	155	180	Icon
VRC679	409446	7191324	10875	10075	290	50	-60	155	180	Icon
VRC680	409435	7191347	10875	10100	290	110	-60	155	180	Icon
VRC681	409425	7191370	10875	10125	290	130	-60	155	180	Icon
VRC682	409415	7191392	10875	10150	290	140	-60	155	180	Icon
VRC683	409404	7191415	10875	10175	290	160	-60	155	180	Icon
VRC684	409375	7191418	10850	10190	290	170	-60	155	180	Icon
VRC685	409411	7191281	10825	10050	290	66	-60	155	180	Icon
VRC686	409401	7191303	10825	10075	290	80	-60	155	180	Icon
VRC687	409390	7191326	10825	10100	290	110	-60	155	180	Icon
VRC688	409380	7191349	10825	10125	290	144	-60	155	180	Icon
VRC689	409369	7191371	10825	10150	290	174	-60	155	180	Icon
VRC690	409359	7191394	10825	10175	290	150	-60	155	180	Icon
VRC691	409348	7191417	10825	10200	290	180	-60	155	180	Icon
VRC692	409326	7191406	10800	10200	290	170	-60	155	180	Icon
VRC693	409366	7191260	10775	10050	290	70	-60	155	180	Icon
VRC694	409355	7191282	10775	10075	290	70	-60	155	180	Icon
VRC695	409345	7191305	10775	10100	290	100	-60	155	180	Icon
VRC696	409334	7191328	10775	10125	290	100	-60	155	180	Icon
VRC697	409324	7191351	10775	10150	290	120	-60	155	180	Icon
VRC698	409310	7191261	10725	10075	290	90	-60	155	180	Icon
VRC699	409299	7191284	10725	10100	290	70	-60	155	180	Icon
VRC700	409289	7191307	10725	10125	290	70	-60	155	180	Icon
VRC701	413928	7193305	15775	10000	318	50	-60	155	180	Zone 102
VRC702	413907	7193350	15775	10050	318	80	-60	155	180	Zone 102
VRC703	413974	7193326	15825	10000	318	50	-60	155	180	Zone 102
VRC704	413963	7193349	15825	10025	318	90	-60	155	180	Zone 102
VRC705	413953	7193371	15825	10050	318	110	-60	155	180	Zone 102
VRC706	414110	7193389	15975	10000	318	50	-60	155	180	Zone 102
VRC707	414100	7193411	15975	10025	318	60	-60	155	180	Zone 102
VRC708	414019	7193347	15875	10000	318	70	-60	155	180	Zone 102
VRC709	414009	7193369	15875	10025	318	90	-60	155	180	Zone 102
VRC710	413998	7193392	15875	10050	318	110	-60	155	180	Zone 102

Hole Number	MGA Easting	MGA Northing	Local Easting	Local Northing	RL	Depth	Dip	MGA Azimuth	Local Azimuth	Prospect
VRC711	413988	7193415	15875	10075	318	140	-60	155	180	Zone 102
VRC712	414052	7193335	15900	9975	318	50	-60	155	180	Zone 102
VRC713	414011	7193425	15900	10075	318	140	-60	155	180	Zone 102
VRC714	414054	7193390	15925	10025	318	90	-60	155	180	Zone 102
VRC715	414065	7193368	15925	10000	318	50	-60	155	180	Zone 102
VRC716	414044	7193413	15925	10050	318	10	-60	155	180	Zone 102
VRC717	414033	7193436	15925	10075	318	14	-60	155	180	Zone 102
VRC718	414012	7193481	15925	10125	318	20	-60	155	180	Zone 102
VRC719	414035	7193492	15950	10125	318	17	-60	155	180	Zone 102
VRC720	414047	7193525	15975	10150	318	18	-60	155	180	Zone 102
VRC721	414097	7193537	16025	10140	318	17	-60	155	180	Zone 102
VRC722	414168	7193443	16050	10025	318	60	-60	155	180	Zone 102
VRC723	414147	7193488	16050	10075	318	14	-60	155	180	Zone 102
VRC724	414126	7193534	16050	10125	318	17	-60	155	180	Zone 102
VRC725	414180	7193476	16075	10050	318	54	-60	155	180	Zone 102
VRC726	414170	7193499	16075	10075	318	90	-60	155	180	Zone 102
GBD021	409462	7191469	10950	10200	297	234.60	-60	155	180	Icon

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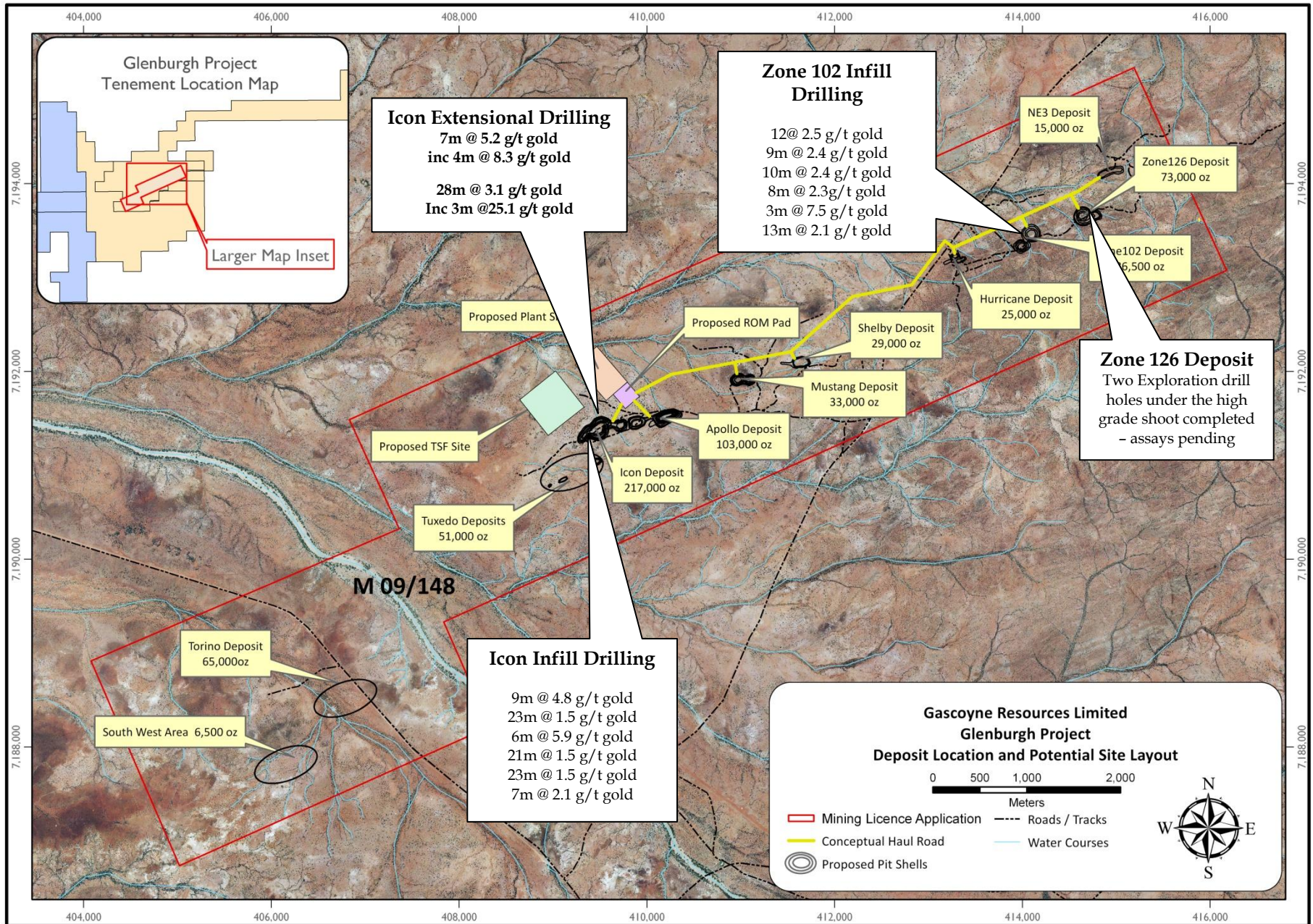


Figure One: Glenburgh Project Deposit Overview and Recent Drill Intersections.

Background on Gascoyne Resources

Gascoyne Resources Limited was listed on the ASX in December 2009 following the amalgamation of the gold assets of Helix Resources Limited and Giralia Resources NL in the Gascoyne Region of Western Australia.

Gascoyne Resources is endowed with

- 100% of the Glenburgh Project in Western Australia, which has an Indicated and Inferred resource of: 17.4 Mt @ 1.3g/t Au for 703,000oz gold (the Indicated portion is 1.6Mt @ 2.0 g/t Au for 103,500 ounces of gold) from several prospects within a 20km long shear zone. Considerable resource growth potential exists around the deposits as well as at regional targets that have had limited exploration over the last 15 years. (See table 3 for full details on resource breakdown)
- Advanced exploration projects at Mt James where drilling has outlined a +1 g/t Au mineralisation over at least 2.5km strike within a 300m thick package of sheared mafic amphibolites and BIFs: and at Bustler Well where previous RC drilling returned narrow high grade intersections including 1m @ 37.4g/t Au, 2m @ 9.08 g/t Au and 3m @ 7.62 g/t Au from a 150m long quartz-shear lode.
- At the Bassit Bore Project, a number of gold bearing quartz veins have been discovered at the Harrier prospect with rock chip samples up to 73g/t gold. RC drilling of one of these veins has intersected promising gold copper and silver mineralisation. A number of other quartz veins are yet to be tested.

Gascoyne Resources' immediate primary focus is to continue the evaluation of the Glenburgh gold deposits to delineate meaningful increases in the resource base and to identify and test additional targets in the Glenburgh mineralised system and to explore for additional gold resources on the exploration properties. Success in these activities is expected to lead to the development of a gold project based on the Glenburgh gold deposits.

Further information is available at www.gascoyneresources.com.au

Table 3: Glenburgh Deposits - Resource Summary (0.5g/t Au Cut-off)

Area	Glenburgh Mineral Resource 2012								
	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Icon	0.8	1.3	33,500	5.6	1.0	183,200	6.4	1.1	216,700
Apollo	0.6	2.0	37,600	1.6	1.3	65,200	2.2	1.5	102,800
Tuxedo				1.8	0.9	50,900	1.8	0.9	50,900
Mustang				1.1	0.9	32,700	1.1	0.9	32,700
Shelby				0.9	1.0	29,300	0.9	1.0	29,300
Hurricane				0.6	1.3	24,800	0.6	1.3	24,800
Zone 102				1.5	1.8	86,500	1.5	1.8	86,500
Zone 126	0.2	4.5	32,300	0.8	1.6	40,500	1.0	2.2	72,800
NE3				0.5	0.9	15,000	0.5	0.9	15,000
Torino				1.3	1.5	65,000	1.3	1.5	65,000
SW Area				0.1	3.8	6,200	0.1	3.8	6,200
Total	1.6	2.0	103,500	15.8	1.2	600,000	17.4	1.3	703,000

Note: Discrepancies in totals are a result of rounding

Information in this announcement relating to mineral resources and exploration results is based on data compiled by Gascoyne's Managing Director Mr Michael Dunbar who is a member of The Australasian Institute of Mining and Metallurgy. Mr Dunbar 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 Competent Persons under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dunbar consents to the inclusion of the data in the form and context in which it appears.

The drilling was conducted using RC drilling with samples being collected at one metre intervals and a riffle split subsample of approximately 2-4 kg was sent to MinAnalytical Laboratory Services Pty Ltd in Perth Western Australia. The sample was fully pulverized and analysed for gold using a 50 gram lead collection fire assay digest and an atomic absorption spectrometry finish to a 0.01ppm Au detection limit. Full analytical quality assurance – quality control (QA/QC) is achieved using a suite of certified standards, laboratory standards, field duplicates, laboratory duplicate, repeats, blanks and grind size analysis.

The spatial location of the samples is derived using surveyed local grid co-ordinates, GPS collar survey pickups, and Reflex single shot downhole surveys taken every 30m down hole.

Intersections have been reported using a 0.5g/t cutoff and allowance for up to 4m of internal waste. Some +0.5g/t intersections have not been reported if they are single metre intersections or are not considered to be significant due to their isolated position compared to other intersections.

True widths have not been determined as the level of detail needed to calculate accurate true widths is not yet available, as a result down hole widths have been reported, however true widths are not expected to significantly change from the down hole widths.