

February 17th 2017
Australian Securities Exchange Limited
Via Electronic Lodgement

\$55 Million Capital Raising for Development of Dalgaranga Gold Project

Gascoyne Resources Limited (ASX: GCY) ("Gascoyne" or "Company") is pleased to announce that it has successfully completed a bookbuild to raise up to \$50 million at an issue price of \$0.50 per fully paid share ("Placement"). The Placement was heavily oversubscribed by a number of leading domestic and international institutional and professional investors.

In addition to the Placement, the Company is intending to offer eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") to raise up to a further \$5 million, at the same price as the Placement.

The funds raised will be applied towards development of the Dalgaranga Gold Project in the Murchison region of Western Australia, and for exploration and working capital.

Hartleys Limited is Lead Manager and Sole Bookrunner to the Placement. Argonaut Securities Pty Limited acted as Co-Manager in respect of the Placement.

Commenting on the Placement, Managing Director Mike Dunbar stated:

"The overwhelming demand for this Placement from supportive shareholders and a large number of new well-respected domestic and international institutional investors provides a strong endorsement of the quality of our high margin Dalgaranga Gold Project in the Murchison region of WA."

"The Company is now in the strongest position it as ever been and we look forward to rapidly advancing the development of Dalgaranga for the benefit of our shareholders".

The Placement will be undertaken in two tranches. The first tranche of the Placement, which is scheduled to settle on or before, but no later than Friday 24 February, will consist of 74.9 million shares in total ("Tranche 1"). The second tranche of the Placement, which is scheduled to settle on or about Thursday 16 March and is subject to shareholder approval, will be for up to 25.1 million shares ("Tranche 2").

Share Purchase Plan Details

As mentioned above, in addition to the Placement, Gascoyne intends to undertake a SPP to enable participation by Eligible Shareholders for an amount up to \$15,000 per shareholder, at a price of \$0.50 per share (the offer price under the Placement). The SPP will be for up to \$5 million. An Eligible Shareholder is any shareholder recorded on the Company's Register at 5:00pm AEST on 15 February 2017 who has a registered address in Australia, New Zealand, Singapore or the United Kingdom. Placement shares will not be eligible to participate in the SPP. Shareholder approval is not required for the SPP.

Gascoyne reserves the right to close the SPP early and scale back applications in its absolute and sole discretion should the total demand exceed \$5 million. When determining the amount (if any) by which to scale back an SPP application, the Company may take into account a number of factors, including the size of an applicant's shareholding in the Company, the extent to which an applicant has sold or bought

For personal use only

additional shares in the Company after the SPP record date and the date on which an application was made with earlier applications given precedence.

Eligible Shareholders will receive further information in relation to the Share Purchase Plan shortly.

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

For personal use only