

SUMMARY OF SEPTEMBER QUARTER ACTIVITIES

DALGARANGA GOLD PROJECT:

Financials:

- Record quarterly production of 17,016 ounces;
- Average gold price of \$2,138 for 16,409 sold ounces for cash inflows of \$35.1 Million;
- Total site costs decreased by \$4.2m to \$36.0m for the quarter, down from \$40.2m in the June 2019 quarter;
- Quarterly AISC of \$2,121 per ounce (\$1,817 June Qtr);
- Higher AISC cost directly attributable to lower capitalisation of deferred waste allocation due to quarterly strip ratio falling below Life of Mine average strip ratio.

Physicals:

- Dalgaranga operations had one Lost Time Injury (LTI) in July;
- Record Plant throughput achieved of 737,107 tonnes for the quarter (annualised run rate of 2.95Mtpa);
 - Comprising 80% Oxide, 13% Transitional and 7% Fresh ore;
- Quarter on quarter key production physicals (relative to the June Quarter):
 - Total Material Movement down 68% to 2.8M BCM (from 4.7M BCM);
 - Processed Ore Grade increased 8% to 0.83 g/t Au (from 0.77g/t);
 - Ore Processed up 3% to 737,107t (from 715,744t);
 - Gravity gold recovery up 971% to 13.8% (from 1.4%);
 - Metallurgical Recovery down 2% to 86.5% (from 88.7%); and
 - Produced Gold up 8% to 17,016 ounces (up from 15,787 ounces).

Operational Improvements:

- Blast Movement Technologies GPS balls fully integrated with ore mining cycle;
- Mined grades lifted during the quarter due to contribution from the Gilbey's Main Zone (oxide/transitional) ore coming from southern end of the pit;
- Gilbey's pit lake dewatered from 357.6mRL to 335.8mRL (-21.8m) (from 1 Jul-19 to 20 Oct-19).

Reconciliations:

- Four months data now available for new LUC model, shows good Grade Control (GC) to Reconciled Mined (DOM) results. Results against the LUC Mineral Resource model have averaged 88% tonnes; 95% of grade for 84% of ounces (+0.5g/t cutoff). This is a significant improvement on the previous OK model performance particularly within the areas outside of the Gilbey's Main Zone (GMZ).

Long Term Planning:

- Updated Mineral Resource and Reserve estimates completed;
- A new Life of Mine Plan (LOMP) is being optimised prior to finalisation.

Exploration:

- Low expenditure exploration strategy continued focussing on assessing prospects at Dalgaranga that can potentially be brought into the mine plan within the next 12 to 24 months.

Corporate:

- The Company remained under Voluntary Administration (VA) throughout the quarter.
- Dual process for a sale or recapitalisation of the company or its assets progressed with non-binding indicative offers received in October.

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REVIEW OF OPERATIONS

During the quarter, the focus for the Company continued to be on safely improving operational activities whilst trading under Voluntary Administration (VA) at the 100% owned Dalgaranga Gold Project (“Dalgaranga” or “Project”) through July to September. Activities are summarised below:

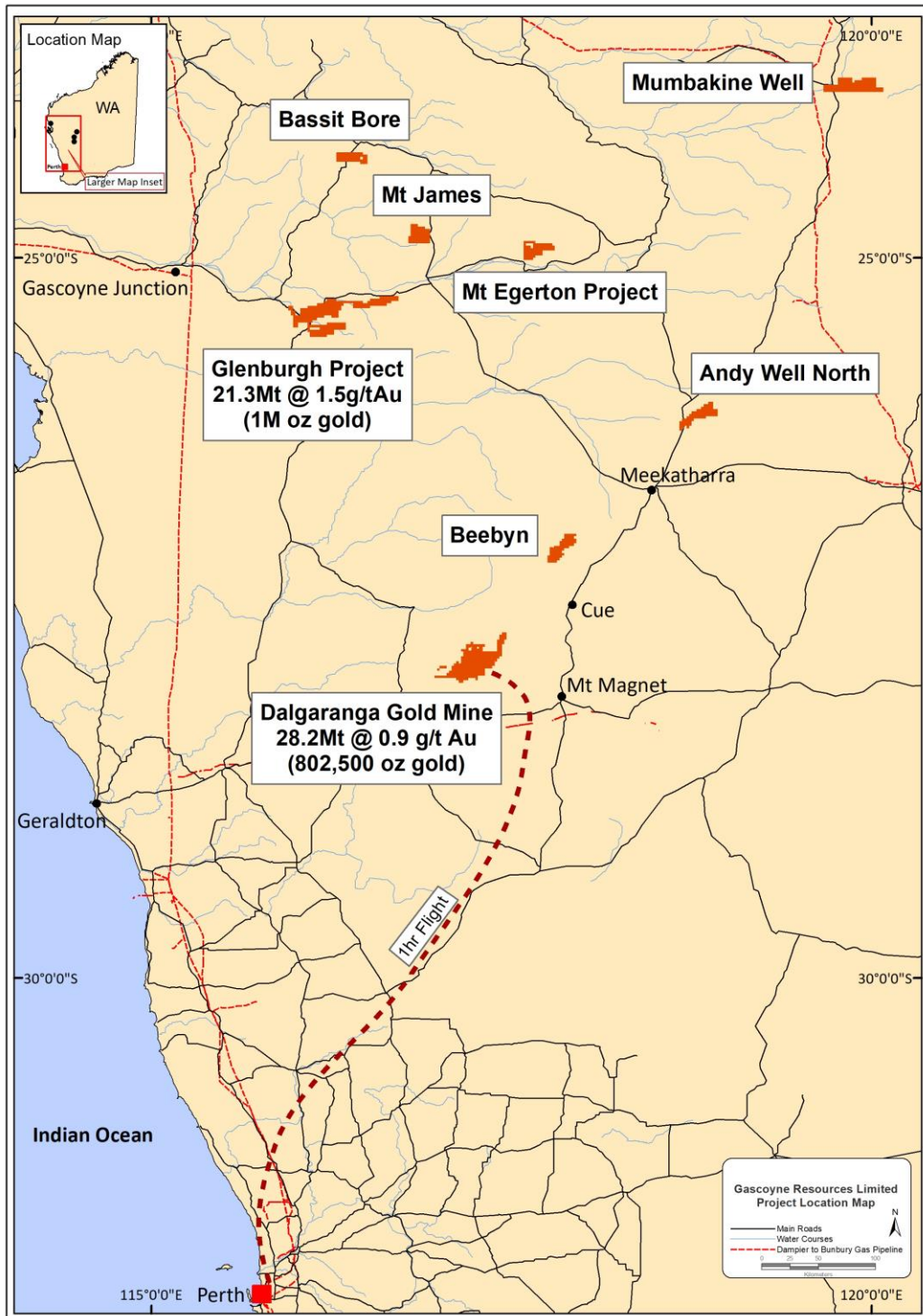


Figure 1: Gascoyne Resources Project Locations

DALGARANGA GOLD PROJECT

ML59/749 & L 59/141, 142, 151, 152, 153, EL59/2053 & 2150 LA59/168, L167, 169 & 170 – 100% Gascoyne
EL21/195, 59/1709, 1904 & 1906 - 80% Gascoyne

Activities during the quarter at Dalgaranga focussed on safely achieving adjusted mining rates and ore production from the Gilbey’s and Golden Wings pits, along with improving geological processes and models to target increased gold production through the 2.5Mtpa processing facility. This approach was adopted to ensure trade on viability, whilst work continued to develop a new LUC Mineral Resource model and a subsequent new Life of Mine Plan based on an updated Ore Reserve estimate completed in September. The operation has remained cash positive paying all operating post-VA debts as and when they have fallen due.

SAFETY

The Project recorded one Lost Time Injury (LTI) during the quarter increasing the LTIFR to 0.74 (June Qtr 0.0). The site's Total Recordable Injury Frequency Rate (TRIFR) stood at 4.24 as at 30 September 2019.

SEPTEMBER QUARTER PRODUCTION AND COSTS

The Company's operational focus continued on trading the Dalgara Gold Mine under VA, whilst further technical work on the Mineral Resource and Ore Reserves to better understand and build confidence in the future of the project was completed. This work subsequently underpinned a new mine design and forms the basis of a yet to be finalised updated Life of Mine Plan (LOMP). Key operational performance metrics for the quarter was as follows (relative to June 2019 Quarter):

- Ore Processed up 3% to 737,000t (from 716,000t);
- Processed Ore Grade increased 8% to 0.83 g/t Au (from 0.77g/t);
- Metallurgical Recovery down 2% at 86.5% (from 88.7%);
- Recovered Gold up 8% to 17,016 ounces (from 15,787 ounces), reflecting improved grades processed.

Table 1

Production Summary	Unit	CY2019 ⁽²⁾	Mar 19 Qtr	Jun 19 Qtr	Sep 19 Qtr
Mining					
Total material movement	Kbcm	12,114	4,466	4,849	2,799
Waste	Kbcm	10,929	4,155	4,498	2,276
Ore (volume)	Kbcm	1,185	310	351	523
Ore (tonnage)	Kt	1,977	585	655	737
Mined grade	g/t Au	0.79	0.79	0.75	0.83
Processing					
Throughput	Kt	2,188	735	716	737
Feed grade	g/t Au	0.77	0.70	0.77	0.83
Recovery	%	88.3	89.7	88.7	86.5
Recovered gold	Oz	45,216	12,414	15,787	17,016
Poured fine gold	Oz	44,753	12,088	15,655	17,010
Revenue Summary					
Production sold	Oz	46,343	12,814	17,120	16,409
Average price	A\$/oz	1,891	1,712	1,822	2,138
Gold sales revenue	A\$000	88,204	21,943	31,144	35,118
Cost Summary					
Mining	A\$/oz		1,889	1,816	1,409
Less: Capitalised Deferred Waste	A\$/oz		(878)	(782)	(26)
Processing	A\$/oz		567	455	471
Site Support	A\$/oz		193	156	180
Site Cash Cost	A\$/oz		1,771	1,645	2,034
Royalties	A\$/oz		45	46	45
Sustaining capital	A\$/oz		218	95	14
Corporate allocation	A\$/oz		40	31	28
AISC⁽¹⁾	A\$/oz		2,074	1,817	2,121
Bullion on Hand	Oz		2,995	1,509	2,114

Note: Discrepancies in totals are a result of rounding

¹ All in Sustaining Costs includes mining and processing costs, site administration, refining, sustaining exploration and capital, site rehabilitation, state government royalties and a share of corporate overheads. Capitalised stripping costs and non-sustaining exploration and capital costs are not included.

² CY refers to calendar year. Mining commenced in March 2018 with ore processing commencing in May 2018.

Daily mining production rates averaged around 30,400 bank cubic metres (BCM) for the quarter (~0.9 MBCM per month). Focus was on ensuring ore supply whilst continuing to mine at a waste:ore strip ratio of ~4.3:1. The relative contribution from the Gilbey's Main Zone (GMZ) is scheduled to increase significantly from late December 2019 as the cutback progresses deeper. In line with this, the Gilbey's pit lake dewatering was accelerated to ensure the water levels remain well ahead of the mining levels (Figure 2).

Figure 2: Gilbey's Pit Lake level ~12m below deepest mining level (as at 30 September, looking north)



Process Plant feed was predominantly supplied from the Gilbey's Main Zone footwall lodes (55%), Gilbey's Final north end (GFIN 27%) Gilbey's Starter Pit (GSP 8%) with only 10% coming from the Gilbey's Main Zone (GMZ), of which 82% was less reliable oxide material. It is important to note that project to date, very small amounts of the wide, continuous and higher grade GMZ has been mined and processed, compared with the planned predominance of feed from the GMZ from Q1 2020.

Processing recoveries were well below expectations for the quarter (86.5%), primarily due to the impact of Shale ore that was crushed and fed to the plant at higher than optimal proportions at times in late August and the first half of September. As a result of poor recoveries and investigation thereof, several operational changes have been implemented with an impressive positive impact on plant recoveries. Unreconciled gold recoveries since 20th September through to 27th October have averaged 93-94% with further recovery optimisation opportunities yet to be implemented.

Production for the quarter was a record 17,016 ounces which is an encouraging result considering only 9% of the ore mined for the quarter was fresh vs 60% transitional and 31% oxide and that only 10% of the ore came from the wide, continuous and better grade Gilbey's Main Zone ore. Better grades and overall performance are expected as the mine progressively accesses higher quantities of fresh and transitional ore.

Additional support for the progressive improvement in the project is found in the steady increase in gravity gold recovery with July at 11.4%; August at 13.7% and September at 16.6%. This trend is expected to continue as the Gilbey's pit deepens in accordance with the original feasibility study metallurgical test work, which identified a range of 30-50% gravity recoverable gold in the GMZ fresh ore.


All in Sustaining Costs increased to \$2,121/oz (\$1,817 Jun Qtr), primarily due to lower capitalisation of deferred waste costs of \$26/oz (\$782/oz Jun Qtr), as a result of waste:ore strip ratios falling below average Life of Mine strip ratios


for the quarter. Processing costs remained very low for the quarter at \$10.86 per tonne. Processing plant availability (94%) was much improved on the prior quarter (83%) primarily due to new mill liners and discharge grates performing to expectations, in addition to upgrades to the Variable Speed Drive (VSD) resistors to correct an identified weakness. This resulted in consistent performance month-on-month with July 241kt; August 249kt and September at 247kt processed for an equivalent average annual run rate of ~2.9Mt.

GEOLOGICAL MODEL RECONCILIATION

Data collected over the prior quarter shows that reconciliation between Declared Ore Mined (DOM) versus Grade Control (GC) model has been good (Table 2), however, after a good start in July (98% of ounces), the reconciliation of DOM versus the Localised Uniform Conditioning (LUC) recoverable resource (OR) was lower in August (86%) and September (80%). The results are however a significant improvement on the prior Ordinary Kriged (OK) model. Furthermore, it is important to note that to date, only 10% of the ore mined and processed in the last 4 months has been sourced from the wide, continuous and higher grade GMZ which contains +90% of the reserve ounces. It is expected that reconciliation to the LUC model will improve as increased quantities of ore is accessed from the GMZ from Q1 2020 onwards.

Table 2 – Reconciliation data for Gilbey’s LUC model Only

 Dalgaranga Overall Reconciliation >0.5g/t Au														
Period	DECLARED ORE MINED (DOM) Reconciled Mined - includes material outside model (digblocks)				GRADE CONTROL (GC) Digblocks - constructed using GC model and isoshells				ORE RESERVE (OR) Recoverable Resource				Estimation method	Reported Cut-off
	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)		
Jun-19	97,908	215,398	0.81	5,614	86,964	191,320	0.86	5,315	144,700	318,340	0.76	7,743	LUC	>0.5g/t Au
Jul-19	118,585	260,886	0.79	6,645	114,619	252,161	0.83	6,735	118,034	259,674	0.81	6,747	LUC	>0.5g/t Au
Aug-19	159,405	350,690	0.63	7,148	149,384	328,644	0.79	8,304	157,168	345,769	0.75	8,324	LUC	>0.5g/t Au
Sep-19	119,476	262,847	0.69	5,831	114,494	251,887	0.75	6,111	140,210	308,463	0.73	7,247	LUC	>0.5g/t Au
Total	495,373	1,089,822	0.72	25,238	465,460	1,024,012	0.80	26,464	560,112	1,232,246	0.76	30,062		

 Metrics													
Period	DOM vs. GC				GC vs. OR				DOM vs. OR				
	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)	
Jun-19	113%	113%	94%	106%	60%	60%	114%	69%	68%	68%	107%	72%	
Jul-19	103%	103%	95%	99%	97%	97%	103%	100%	100%	100%	98%	98%	
Aug-19	107%	107%	81%	86%	95%	95%	105%	100%	101%	101%	85%	86%	
Sep-19	104%	104%	91%	95%	82%	82%	103%	84%	85%	85%	94%	80%	
Total	106%	106%	90%	95%	83%	83%	106%	88%	88%	88%	95%	84%	

Note: Discrepancies in totals are a result of rounding

The good reconciliation to the grade control model can in part be attributed in part to the full implementation of the Blast Movement Indicator (BVI) detection system using high precision GPS locatable “blast balls”. After a trial was completed in the first week of July 2019, with positive results, a commitment was made to continue with the program.

Table 3 below shows the reconciliation results for months prior to the new LUC model and grade control methodologies. The LUC model reconciliation results DOM vs. OR (88% tonnes; 95% grade; 84% ounces; Table 2), although lower than expected for the last 4 months, compare far more favourably than the previous OK estimation method (111% tonnes; 63% grade; 70% ounces) that was used prior to June 2019 (Table 3).

Table 3: Reconciliation data for Gilbey's OK model Only

Period	DECLARED ORE MINED (DOM) Reconciled Mined - includes material outside model (digblocks)				GRADE CONTROL (GC) Digblocks - constructed using GC model and isoshells				ORE RESERVE (OR) Recoverable Resource				Estimation method	Reported Cut-off
	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)		
Jan-19	53,427	117,539	0.68	2,561	38,090	83,799	1.13	3,055	43,996	96,792	1.28	3,976	OK	
Feb-19	38,625	84,975	0.80	2,182	40,361	88,795	1.20	3,415	42,223	92,891	1.35	4,041	OK	
Mar-19	111,882	246,140	0.83	6,581	116,598	256,516	1.16	9,550	88,353	194,377	1.29	8,048	OK	
Apr-19	72,682	159,900	0.67	3,456	69,462	152,817	0.95	4,672	76,679	168,694	1.08	5,842	OK	
May-19	99,170	218,174	0.72	5,070	91,588	201,493	0.96	6,207	88,065	193,742	1.06	6,625	OK	
Total	375,785	826,728	0.75	19,850	356,100	783,420	1.07	26,900	339,316	746,496	1.19	28,532		



Metrics

Period	DOM vs. GC				GC vs. OR				DOM vs. OR			
	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)
Jan-19	140%	140%	60%	84%	87%	87%	89%	77%	121%	121%	53%	64%
Feb-19	96%	96%	67%	64%	96%	96%	88%	85%	91%	91%	59%	54%
Mar-19	96%	96%	72%	69%	132%	132%	90%	119%	127%	127%	65%	82%
Apr-19	105%	105%	71%	74%	91%	91%	88%	80%	95%	95%	62%	59%
May-19	108%	108%	75%	82%	104%	104%	90%	94%	113%	113%	68%	77%
Total	106%	106%	70%	74%	105%	105%	90%	94%	111%	111%	63%	70%

LONG TERM PLANNING

During the quarter an updated Mineral Resource Estimate (see ASX announcement 28 August 2019) and updated Ore Reserve Estimate was completed (see ASX Announcement 3 October 2019). The updated models underpin a new LOMP which has been substantially completed with finalisation of financial models progressing.

Updated Mineral Resource

The updated Mineral Resource Estimate for the Dalgara Gold Project is **28.2Mt @ 0.9 g/t for 802,500 ounces of gold** (see Table 4).

Table 4 : Dalgara Gold Project
June 2019 Summary Mineral Resource Statement

Classification	Mt	Au g/t	Au koz
Measured	1.6	0.91	45.5
Indicated	19.4	0.90	560.1
Measured + Indicated	21.0	0.90	605.7
Inferred	7.2	0.85	196.8
TOTAL	28.2	0.89	802.5

Note: Discrepancies in totals are a result of rounding

The main points from the Updated Mineral Resource Estimate are as follows:

- The Gilbey's Main ore body includes +530 koz of Measured and Indicated resources and a further +150koz of Inferred resources representing +86% of the entire Dalgara Mineral Resource;
- The updated resource model reconciles well with (i) the current mining operations and (ii) the historic Equigold production;
- The updated resource model is robust and formed the basis of an updated Mineral Reserve and Life of Mine Plan (LOMP);
- The new estimate is constrained within optimised pit shells based on a gold price of A\$2,400 per ounce;

- The new LUC model checked against Equigold historical production data from the Gilbey’s Main zone mined from 1996 to 2000;

Gilbey’s Area

The new Mineral Resource is reported within constraining optimised pit shells, generated with an input gold price of A\$2,400 per ounce based on the Measured, Indicated and Inferred categories.

The previous unconstrained Mineral Resource estimate undertaken in November 2018 for the Gilbey’s deposit (see ASX Announcement 28 November 2018) made use of mineralisation domains defined at a nominal 0.5g/t Au cut-off with Ordinary Kriging (OK) being used as the estimation method.

In contrast, the updated Mineral Resource has made use of much broader domains, reflecting the entire mineralised envelope, with LUC as the estimation method. In areas informed by close spaced grade control (GC) drilling, 0.2g/t Au mineralisation shells have been used with OK as the method for the estimation.

Figure 3a shows the reconciliation of contained ounces of gold changes between the November 2018 OK and the LUC model as at 30 June 2019. The main change in contained ounces of gold between the two models is due to Management’s decision to apply an economic test to the LUC model using a A\$2,400/oz optimised pit shell to constrain the mineralisation (now industry standard), demonstrating that at a gold price of A\$2,400/oz, the contained mineralisation could reasonably be expected to be economically extracted at some time in the future. Of the largest change, (398koz decrease, Figure 3a), 83% was previously categorised in the lowest confidence Inferred category, with only 16% categorised as Indicated. Figures 3b & 3c illustrate where the majority of the changes have occurred below the A\$2,400 optimised pit shell. For clarity, the Main Gilbey’s lode mineralisation is known to extend well below the A\$2,400 optimised pit shell (Figure 3c) from drill intersections, however for the purpose of the LUC Mineral Resource Estimate, it is unclassified in accordance with JORC 2012. However, if the gold price were to rise \geq A\$2,400/oz, then additional deeper mineralisation could potentially be re-classified into a Mineral Resource if that material is located within an optimised pit shell using a gold price than \geq A\$2,400/oz.

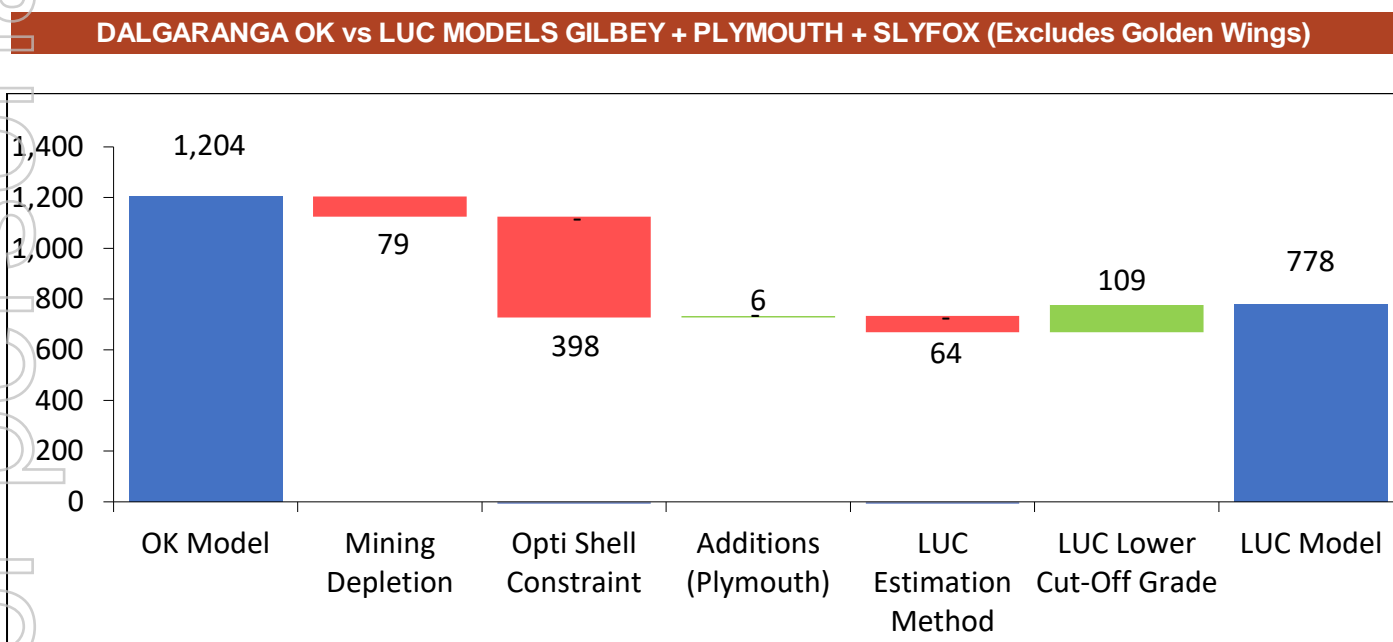


Figure 3a: Waterfall chart showing contained ounces (000’s) of gold reconciliation between the November 2018 OK and 30 June 2019 LUC models.

Notes to explain waterfall chart:

1. OK Model: November 2018 Ordinary Kriged (OK) model contained ounces of gold above 0.5g/t;
2. Mining Depletion: Ounces mined from OK model from November 2018 to June 2019;
3. Opti Shell Constraint: Ounces contained in the OK model located outside of the A\$2,400 Optimised Pit Shell;
4. Additions: New contained ounces added to the LUC model;
5. LUC Estimation Method: Difference between the OK model above 0.5g/t and LUC model above 0.5g/t;
6. LUC Lower Cut-Off Grade: Contained ounces difference between the OK and LUC models between 0.3 – 0.5 g/t;
7. LUC Model: Change in cut-off grade of LUC model from 0.5g/t to 0.3g/t (Excludes Golden Wings).

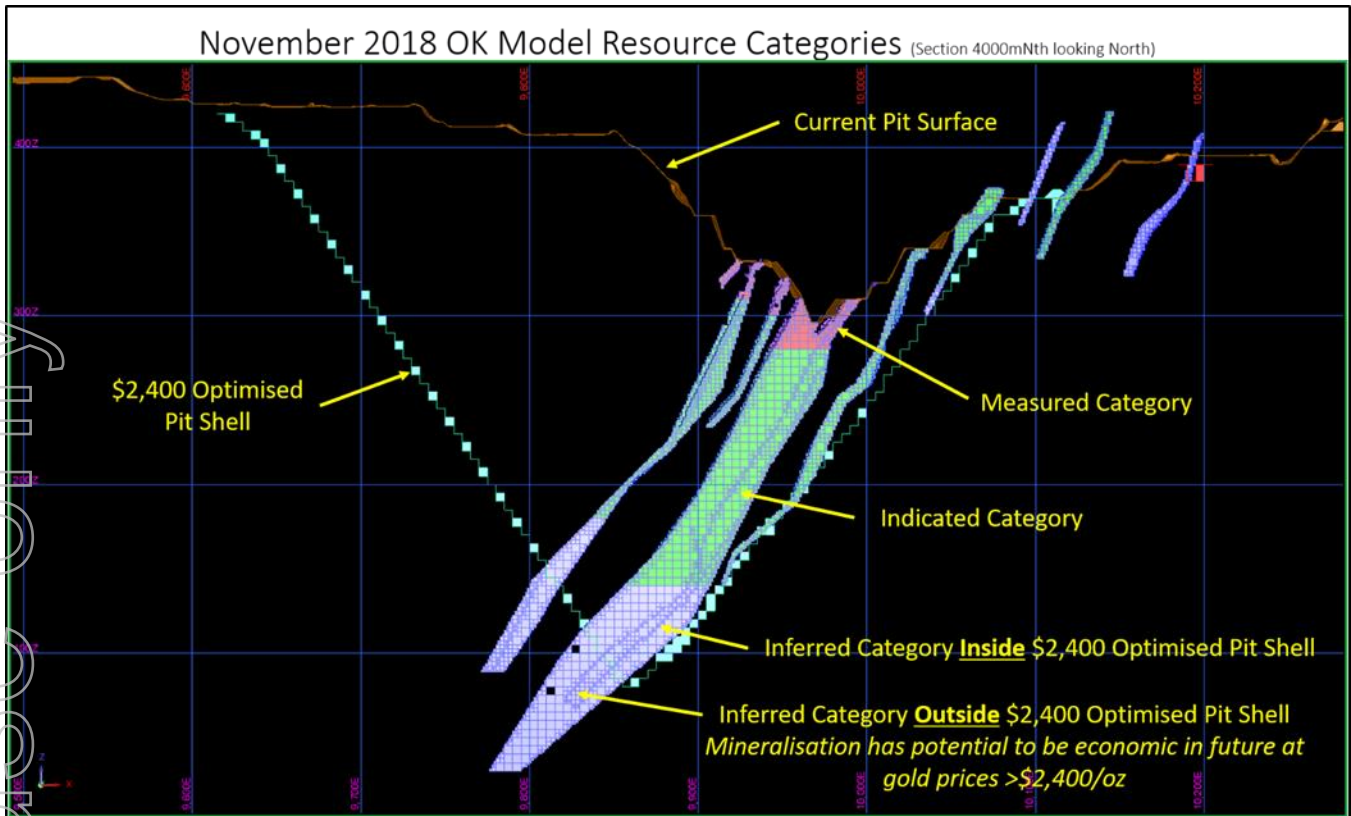


Figure 3b: Shows a significant proportion of the Inferred Mineral Resource Category for the November 2018 OK extending below the the A\$2,400 optimised pit shell.

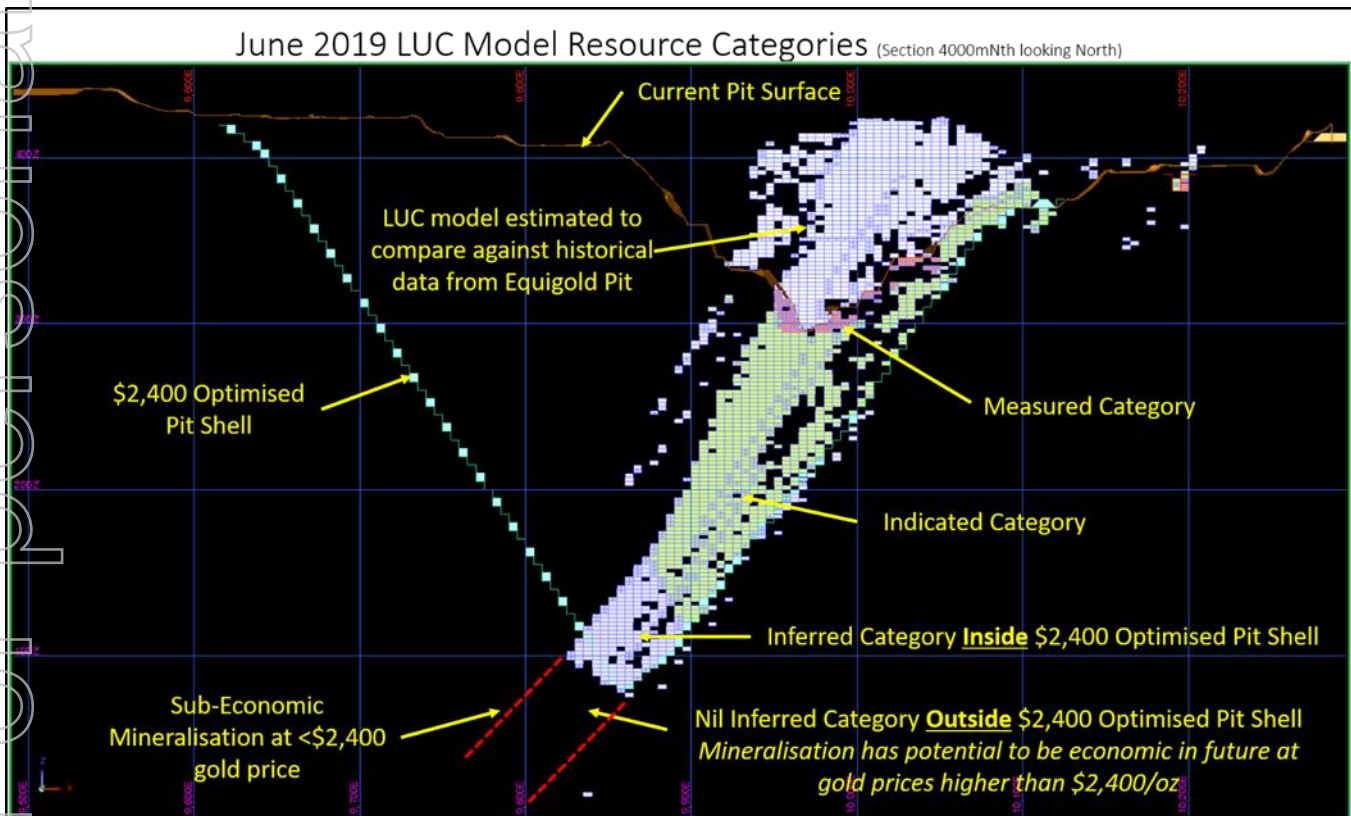


Figure 3c: Shows the distribution of Mineral Resource Categories in the LUC model constrained within the A\$2,400 optimised pit shell.

Updated Ore Reserve

As announced (ASX Announcement 3 October 2019), the company has updated the Ore Reserve for the Dalgaranga Gold project. The updated Ore Reserve estimate is **16.9Mt at 0.9 g/t for 501,800 ounces of contained gold (see Table 5).**

**Table 5 : Dalgaranga Gold Project
30 June 2019 Summary Ore Reserve Statement**

Classification	Oxidation state	COG (g/t Au)	Mt	Au g/t	Au Koz
Proved	Oxide	0.25	0.1	1.1	4.1
	Transition	0.30	0.4	0.9	11.0
	Fresh	0.32	0.9	0.8	22.4
	Stockpiles	0.25	0.0	0.5	2.6
	Gold In circuit				1.3
	SUBTOTAL			1.4	0.9
Probable	Oxide	0.25	0.7	0.8	19.2
	Transition	0.30	1.1	0.9	31.9
	Fresh	0.32	13.7	0.9	409.2
	SUBTOTAL		15.5	0.9	460.4
Total			16.9	0.9	501.8

Note: Discrepancies in totals are a result of rounding

The main points from the Updated Ore Reserve are as follows:

- Updated Dalgaranga Gold Project Ore Reserve estimate of 501,800 ounces of gold;
- Represents +62% conversion of the 802Koz Dalgaranga Mineral Resource;
- +90% of the Ore Reserve is located within the wide and continuous Gilbey's Main Lode;
- Includes 12.4Mt at 1.1g/t for 438Koz (above 0.5g/t cut-off grade) representing +87% of the Ore Reserve.

Gascoyne's internal Mine Planning team completed the update of the Ore Reserve modelling and estimation. New Ore Reserve estimates for the Gilbey's area (Gilbey's, Gilbey's South, and Sly Fox deposits) and Golden Wings have been completed with close involvement by consultants Mining One throughout the process.

The updated Ore Reserve for Dalgaranga has been estimated as at 30 June 2019, based on the new Localised Uniform Conditioning (LUC) Mineral Resource models - see above and ASX announcement dated 28 August 2019.

The Ore Reserve estimate was constrained within final pit designs based on A\$1,800 optimised pit shells, whereas previous Ore Reserves were reported within final pit designs based on A\$1,600 optimised pit shells. The updated Ore Reserve has been depleted for mining as at 30 June 2019.

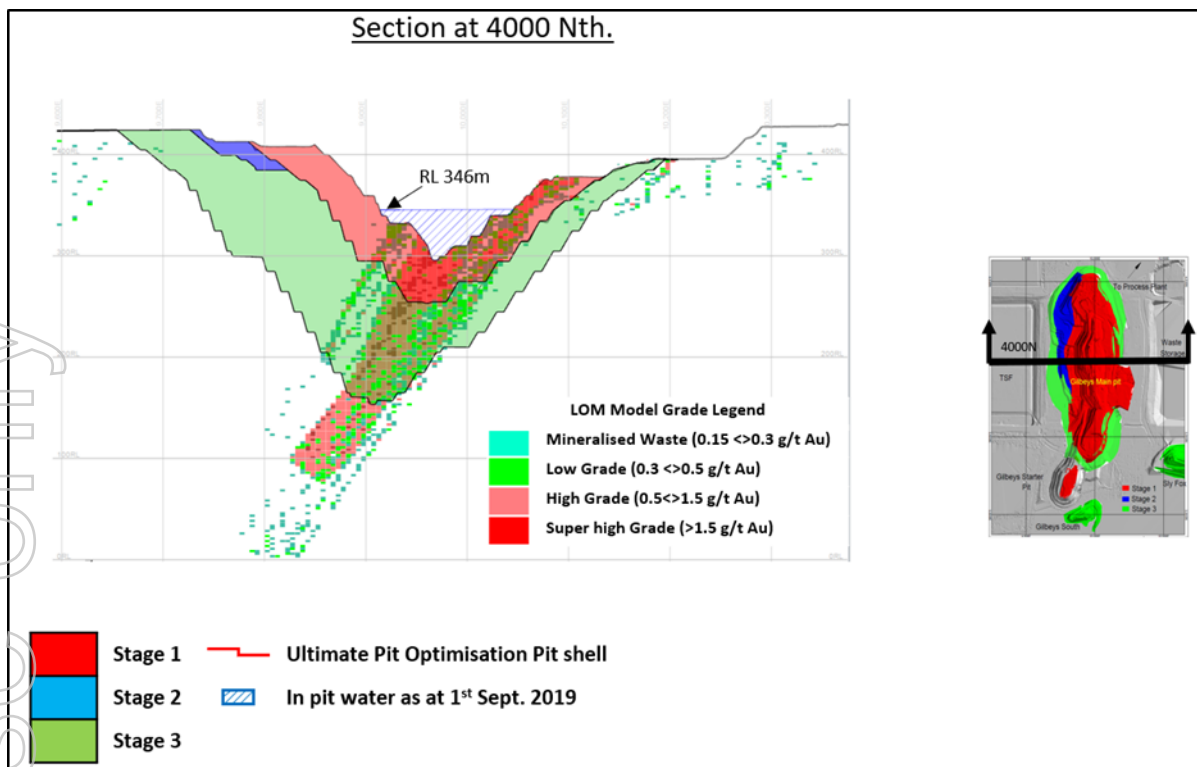


Figure 4: Sectional view of Gilbey's showing proposed pit stage designs

Revenue Protection

To ensure short term viability of the Dalgaranga operations under Voluntary Administration and to assist in the business to continue trading, the Administrators purchased short term put options during the quarter to protect revenue from the majority of gold production over the period from 1 October 2019 to 28 February 2020. The options have an exercise price of A\$2,000 per ounce for 16,200 ounces between 4 October and 20 December 2019 (at 1,400 ounces per week) and A\$2,050 per ounce for a further 14,600 ounces between 20 December 2019 and 28 February 2020 (at 1,400 ounces per week).

EXPLORATION ACTIVITIES

Exploration activities in the immediate future will focus on (and be limited to) prospects at Dalgaranga with potential to be incorporated into the mine life within 12 to 24 months.

CORPORATE

Voluntary Administration Update

Voluntary Administrators (Michael Ryan, Kathryn Warwick and Ian Francis of FTI Consulting) were appointed by the Board of Directors on 2 June 2019 after a review of updated future cashflows based on schedules run on the latest available draft LUC geological model at that time.

Following their appointment, the Administrators commenced working with creditors to agree a pathway for continued gold mining and processing operations at Dalgaranga, whilst preparing to implement a dual track process to effect either a sale or a recapitalisation of the business/company. The dual track process is underway and non-binding indicative offers have been received from interested parties.

The Administrators were granted an extension of the convening period of the second meeting of creditors by the Supreme Court of Western Australia to 4 November 2019. An application to the court for an extension to this date is pending.

Potential Reinstatement to ASX Trading

The Company is continuing its dialogue with the ASX, to ensure that if a recapitalisation of the Company can be achieved, and is agreed by all parties, a return to trading could occur on an expedited basis. All listing fees have been paid to date and the ASX have indicated it is supportive of a reinstatement process. The Company remains confident that all reinstatement requirements can be met if a recapitalisation of the Company can be achieved.

Appointments and Resignations

Mr Richard Hay was re-appointed, as of 3 June (Mr Hay resigned as CEO on 31 May), under a new employment agreement as the Company's Chief Executive Officer (Administrators Appointed) (CEO). The key terms and conditions of employment were detailed with the appointment announcement (ASX Announcement 15 July 2019).

Mr Mike McCracken was appointed during the quarter as Site General Manager of its Dalgaranga operations reporting directly to Mr Richard Hay (CEO). Mr McCracken is a highly experienced Mining Engineer with over 35 years' experience in hard rock underground and open pit mining.

Mr Ian Kerr resigned as a director of the Company on 5 July 2019 (ASX announcement 8 July 2019).

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Mining Tenements held at 30th September 2019

All the company's tenements are within Western Australia

Tenement	Location	Name	Ownership
ELA09/2352	Gascoyne Region	Bassit Bore	100% Gascoyne Resources
EL21/195	Murchison Region	Dalgaranga	80% Gascoyne Resources
EL59/1709	Murchison Region	Dalgaranga	80% Gascoyne Resources
EL59/1904	Murchison Region	Dalgaranga	80% Gascoyne Resources
EL59/1906	Murchison Region	Dalgaranga	80% Gascoyne Resources
L59/141	Murchison Region	Dalgaranga	100% Gascoyne Resources
L59/142	Murchison Region	Dalgaranga	100% Gascoyne Resources
L59/151	Murchison Region	Dalgaranga	100% Gascoyne Resources
L59/152	Murchison Region	Dalgaranga	100% Gascoyne Resources
L59/153	Murchison Region	Dalgaranga	100% Gascoyne Resources
LA59/167 ⁽¹⁾	Murchison Region	Dalgaranga	100% Gascoyne Resources
LA59/168	Murchison Region	Dalgaranga	100% Gascoyne Resources
LA59/169 ⁽¹⁾	Murchison Region	Dalgaranga	100% Gascoyne Resources
LA59/170 ⁽¹⁾	Murchison Region	Dalgaranga	100% Gascoyne Resources
ML59/749	Murchison Region	Dalgaranga	100% Gascoyne Resources
EL59/2150	Murchison Region	Dalgaranga	100% Gascoyne Resources
EL59/2053	Murchison Region	Dalgaranga	100% Gascoyne Resources
EL59/2289	Murchison Region	Dalgaranga	100% Gascoyne Resources
EL52/3531	Pilbara Region	Elphin Bore	100% Gascoyne Resources
EL09/1325	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL09/1764	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL09/1865	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL09/1866	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL09/2025	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL09/2148	Gascoyne Region	Glenburgh	100% Gascoyne Resources
L09/56	Gascoyne Region	Glenburgh	100% Gascoyne Resources
L09/62	Gascoyne Region	Glenburgh	100% Gascoyne Resources
ML09/148	Gascoyne Region	Glenburgh	100% Gascoyne Resources
EL51/1648 ⁽²⁾	Murchison Region	Murchison	100% Gascoyne Resources
EL51/1681	Murchison Region	Murchison	100% Gascoyne Resources
EL52/2117	Gascoyne Region	Mt Egerton	100% Gascoyne Resources
EL52/2515	Gascoyne Region	Mt Egerton	100% Gascoyne Resources
EL52/3574	Gascoyne Region	Mt Egerton	100% Gascoyne Resources
ML52/343	Gascoyne Region	Mt Egerton	100% Gascoyne Resources
ML52/567	Gascoyne Region	Mt Egerton	100% Gascoyne Resources
EL52/3490	Gascoyne Region	Mt James	100% Gascoyne Resources

All the company's tenements are within Western Australia

(1) Tenements granted 14th October 2019

(2) Doray Minerals Limited (ASX:DRM) earning into the project

Abbreviations and Definitions used in Tenement Schedule:

EL	Exploration Licence	ELA	Exploration Licence Application
ML	Mining Lease	L	Miscellaneous Licence
LA	Miscellaneous Licence Application		

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BACKGROUND ON GASCOYNE RESOURCES

Gascoyne Resources Limited was listed on the ASX in December 2009 and is focused on exploration, development and production of a number of gold projects in Western Australia. The Company's 100% owned gold projects combined have over **1.8 million ounces of contained gold on granted Mining Leases**:

DALGARANGA:

The Dalgaranga Gold Project (DGP) is located approximately 65km by road NW of Mt Magnet in the Murchison gold mining region of Western Australia and covers the majority of the Dalgaranga greenstone belt. After discovery in the early 1990's, the project was developed and from 1996 to 2000 produced 229,000 oz's of gold with reported cash costs of less than \$350/oz. Refer figure 1.

The Feasibility Study (FS) completed on the DGP in November 2016 highlighted a robust development case for the Project based on the development of two open pits feeding a 2.5 Mtpa processing facility resulting in production of around 100,000 ozpa for 6 years. As a result of the FS, the Company progressed through the funding, development and construction phases for the Project. Construction was completed ahead of schedule and under budget, with first gold poured in late May 2018.

Poor reconciliation results against the original Mineral Resource model in the first 12 months of production, resulted in a requirement to update the Mineral Resource and Ore Reserve estimates targeting a greater reliability of prediction of future performance.

An updated Mineral Resource was completed in August 2019 with the Dalgaranga Gold Project Mineral Resource containing 28.2Mt @ 0.9 g/t gold for 802,500 ounces of gold (ASX Announcement 28 August 2019). Refer table 6.

An updated Ore Reserve Estimate was completed in October 2019 with the Dalgaranga Gold Project Ore Reserve containing 16.9Mt at 0.9 g/t for 502k ounces of contained gold (ASX Announcement 3 October 2019). Refer table 7.

Significant exploration potential remains at Dalgaranga within the Company's extensive tenement holdings.

**Table 6 : Dalgaranga Gold Project
30 June 2019 Summary Mineral Resource Statement**

Classification	Mt	Au g/t	Au koz
Measured	1.6	0.91	45.5
Indicated	19.4	0.90	560.1
Measured + Indicated	21.0	0.90	605.7
Inferred	7.2	0.85	196.8
TOTAL	28.2	0.89	802.5

Note: Discrepancies in totals are a result of rounding

**Table 7 : Dalgaranga Gold Project
30 June 2019 Summary Ore Reserve Statement**

Classification	Oxidation state	COG (g/t Au)	Mt	Au g/t	Au Koz
Proved	Oxide	0.25	0.1	1.1	4.1
	Transition	0.30	0.4	0.9	11.0
	Fresh	0.32	0.9	0.8	22.4
	Stockpiles	0.25	0.0	0.5	2.6
	Gold In circuit				1.3
	SUBTOTAL			1.4	0.9
Probable	Oxide	0.25	0.7	0.8	19.2
	Transition	0.30	1.1	0.9	31.9
	Fresh	0.32	13.7	0.9	409.2
	SUBTOTAL		15.5	0.9	460.4
Total			16.9	0.9	501.8

GLENBURGH:

The Glenburgh Project in the Gascoyne region of Western Australia, has a Measured, Indicated and Inferred resource of: **21.3Mt @ 1.5 g/t Au for 1.0 million oz gold** from several prospects within a 20km long shear zone (see Table 8).

A preliminary feasibility study on the project has been completed (ASX announcement 5 August 2013) that showed a viable project exists, with a production target of 4.9 Mt @ 2.0 g/t for 316,000 oz (70% Indicated and 30% Inferred resources) within 12 open pits and one underground operation. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The study showed attractive all in operating costs of under A\$1,000/oz and indicated a strong return with an operating surplus of ~ A\$160M over the 4+ year operation. The study included approximately 40,000m of resource drilling, metallurgical drilling and test work, geotechnical, hydro geological and environmental assessments. Importantly the study has not included the drilling completed during 2013, which intersected significant shallow high-grade zones at a number of the known deposits.

Table 8: Glenburgh Deposits - Area Summary

Mineral Resource Estimate (0.5 g/t Au Cut-off)

Area	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
North East	0.2	4.0	31,000	1.4	2.1	94,000	3.3	1.7	178,000	4.9	1.9	303,000
Central	2.6	1.8	150,000	3.2	1.3	137,000	8.4	1.2	329,000	14.2	1.3	616,000
South West							2.2	1.2	84,000	2.2	1.2	84,000
Total	2.9	2.0	181,000	4.6	1.6	231,000	13.9	1.3	591,000	21.3	1.5	1,003,000

Note: Discrepancies in totals are a result of rounding

EGERTON:

The project includes the high-grade Hibernian deposit and the high-grade Gaffney's Find prospect, which lie on granted mining leases. Previous drilling includes high grade intercepts, **14m @ 71.7 g/t gold, 34m @ 14.8 g/t gold, 8m @ 11.4 g/t gold, 2m @ 147.0 g/t gold, and 5m @ 96.7 g/t gold** associated with quartz veining in shallow south-west plunging shoots. The Hibernian deposit has only been drill tested to 70m below surface and there is strong potential to expand the deposit with drilling testing deeper extensions to known shoots and targeting new shoot positions. Extensions to mineralised trends and new regional targets will be tested with Air core during drilling campaigns.

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

Competent Persons Statement

The Mineral Resources for the Gilbey's, Gilbey's South, Plymouth, and Sly Fox gold deposits at the Dalgaranga project has been compiled under the supervision of Mr Michael Job and Mr Michael Millad. Mr Michael Job is a Principal Geologist/Geostatistician at Cube Consulting Pty Ltd and a Fellow in good standing of the Australian Institute of Mining and Metallurgy. Mr Michael Millad is a Director and Principal Geologist/Geostatistician at Cube Consulting Pty Ltd, and a Member in good standing of the Australian Institute of Geoscientists. Both Mr Job and Mr Millad have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that was undertaken to qualify as a Competent Persons, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition). Mr Michael Job and Mr Michael Millad consent to the inclusion of the data in the form and context in which it appears.

The Mineral Resource for the Golden Wings gold deposit at the Dalgaranga project has been compiled by Mr Scott Dunham, a Competent Person who is a Fellow of The Australia Institute of Mining and Metallurgy and an employee of SD2 Pty Ltd. Mr Dunham has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that was undertaken to qualify as a Competent Persons, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

The Ore Reserves for the Gilbey's, Gilbey's South, Sly Fox and Golden Wings gold deposits at the Dalgaranga project has been compiled under the supervision of Mr. Neil Rauert. Mr. Neil Rauert is a Senior Mining Engineer and full-time employee of Gascoyne Resources and a Fellow in good standing of the Australian Institute of Mining and Metallurgy. Mr. Neil Rauert has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that was undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The Joint Ore Reserves Committee Code – JORC 2012 Edition). Mr. Neil Rauert consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to the Dalgaranga project is based on data compiled by Gascoyne's Chief Geologist Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy. Mr Goldsworthy 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 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Goldsworthy consents to the inclusion of the data in the form and context in which it appears.

The Glenburgh Mineral Resources have been estimated by RungePincocKMinarco Limited, an external consultancy, and are reported under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (see announcement dated 24 July 2014 titled "High Grade Domains Identified Within Updated Glenburgh Gold Mineral Resource"). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant 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 materially modified from the original market announcements.

The Glenburgh 2004 JORC resource (released to the ASX on April 29th 2013) which formed the basis for the preliminary Feasibility Study was classified as Indicated and Inferred and as a result, is not sufficiently defined to allow conversion to an ore reserve; the financial analysis in the preliminary Feasibility Study is conceptual in nature and should not be used as a guide for investment. It is uncertain if additional exploration will allow conversion of the Inferred resource to a higher confidence resource (Indicated or Measured) and hence if a reserve could be determined for the project in the future. Production targets referred to in the preliminary Feasibility Study and in this report are conceptual in nature and include areas where there has been insufficient exploration to define an Indicated mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. This information was prepared and first disclosed under the JORC Code 2004, the resource has now been updated to conform to the JORC 2012 guidelines. This new JORC 2012 resource, reported above, will form the basis for any future studies.

The Mt Egerton drill intersections referred to in this announcement were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Information in this announcement relating to the Mt Egerton Gold Project is based on data compiled by Gascoyne's Chief Geologist Mr Julian Goldsworthy who is a member of The Australasian Institute of Mining and Metallurgy. Mr Goldsworthy 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 Competent Persons under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Goldsworthy consents to the inclusion of the data in the form and context in which it appears.

The Company confirms it is not aware of any new information or data that materially affects the information included in the above referenced ASX announcements and that all material assumptions and technical parameters underpinning the estimates in these ASX announcements continue to apply and have not materially changed.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity	
Gascoyne Resources Limited	
ABN	Quarter ended ("current quarter")
57 139 522 900	30 September 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	35,197	35,197
1.2	Payments for		
	(a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	(31,917)	(31,917)
	(d) staff costs	(475)	(475)
	(e) administration and corporate costs	(1,739)	(1,739)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	14	14
1.5	Interest and other costs of finance paid	(146)	(146)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (includes royalties and hedge settlements)	(724)	(724)
1.9	Net cash from / (used in) operating activities	210	210

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Mining exploration entity and oil and gas exploration entity quarterly report

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(62)	(62)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	- Exploration and evaluation expenditure	(286)	(286)
	- Expenditure on mine properties/mine properties under development	(467)	(467)
2.6	Net cash from / (used in) investing activities	(815)	(815)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(12,833)	(12,833)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(12,833)	(12,833)

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Mining exploration entity and oil and gas exploration entity quarterly report

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	16,728	16,728
4.2	Net cash from / (used in) operating activities (item 1.9 above)	210	210
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(815)	(815)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(12,833)	(12,833)
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period*	3,290	3,290

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,290	16,728
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,290	16,728

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	7
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
*On 2 June 2019, The Gascoyne Resources Group was placed into voluntary administration. As at 30 September 2019, only 1 non-executive director remains, the other members of the Board of Directors resigned on 31 May 2019 and 5 July 2019.		

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7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2*	(20,383)
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

*Payments to NRW, Mining contractor and shareholder

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	88,758	88,758
8.2	Credit standby arrangements	-	-
8.3	Other	12,000	11,402
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
<p>8.1 Secured Project Finance and Asset Finance facilities held with National Australia Bank and Commonwealth Bank of Australia (interest rate:7.6%); Secured Non-Cash Finance Lease with Zenith Pacific (DGA) Pty Ltd for power generation facilities and Secured financial liability arising out of the close out of gold forward contracts held with National Australia Bank and Commonwealth Bank of Australia (interest rate: 3.3%).</p> <p>8.3 Other represents the NRW working capital facility, secured with a second ranking charge over subsidiary GNT Resources Pty Ltd.'s assets. The facility was drawn in January.</p>			

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	250
9.2	Development	2,200
9.3	Production	43,500
9.4	Staff costs (Admin)	500
9.5	Administration and corporate costs	800
9.6	Other (provide details if material) (State Royalties, Rents)	800
9.7	Total estimated cash outflows *	48,050

* Cash outflows do not include forecast gold revenues from production at the Dalgaranga Project.

Closing cash on hand does not include bullion on hand of 2,114oz at fair value ~\$4,430k.

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Mining exploration entity and oil and gas exploration entity quarterly report

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E59/1905	Relinquished	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Company Secretary

Date: 31 October 2019



Print name: Eva O'Malley

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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