

ASX ANNOUNCEMENT

10 November 2021

MERGER WITH FIREFLY IMPLEMENTED AND DIRECTOR APPOINTMENT

Gascoyne Resources Limited (“**Gascoyne**” or the “**Company**”) (ASX: GCY) advises that the Scheme of Arrangement (“**Scheme**”) relating to the merger of Gascoyne and Firefly Resources Limited (“**Firefly**”) (ASX:FFR) has been implemented today, following the issue of Gascoyne shares to Firefly shareholders.

Scheme Consideration

In accordance with the Scheme, Gascoyne has acquired all of the shares in Firefly and eligible Firefly shareholders have been issued Scheme consideration of 0.34 new Gascoyne shares for every Firefly share held at the Scheme Record Date, being Wednesday, 3 November 2021. The newly issued Gascoyne shares are expected to commence trading on the ASX on a normal settlement basis from Friday, 12 November 2021.

Board Composition

As outlined in the Scheme, Firefly Managing Director and CEO, Simon Lawson, has joined the Board of Gascoyne as a Non-Executive Director. Mr Lawson is a geologist who brings a wealth of relevant experience and familiarity with the Gascoyne asset base in addition to having intimate knowledge of the Yalgoo assets previously held by Firefly and in particular the Melville deposit as Gascoyne progresses with plans to integrate the Melville deposit into the Dalgarranga mine plan.

Effects of Implementation

The merger of Gascoyne and Firefly, now effective, creates a leading regional gold production and development business in the Murchison Region of WA. Gascoyne believes the addition of the Yalgoo asset base has the potential to deliver a step change in production from Dalgarranga in the medium-term by prioritising development of higher-grade regional deposits like Melville.

Having completed the merger, Gascoyne has now increased its landholding to ~1,200km² in the Murchison region. Exploration programs currently underway have the potential to increase the likelihood of new discoveries. As previously announced, new drilling results from Yalgoo are expected in the coming weeks, as well as results from exploration at Hendricks, Greencock and Sly Fox at Dalgarranga over the coming two quarters. An integrated exploration plan for Gascoyne in 2022 will be outlined early in the new year.

Authorisation

This announcement has been authorised for release by the Managing Director and CEO of Gascoyne Resources Limited.

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BACKGROUND ON GASCOYNE RESOURCES

Gascoyne was reinstated on the ASX in October 2020 and is focused on production, development and exploration of a number of gold projects in Western Australia underpinned by positive cash flow generated from the Dalgaranga Operation. In financial year 2021, Dalgaranga produced in excess of 77,000 ounces of gold. The acquisition of Firefly Resources Limited which held the Yalgoo project approximately 70km southwest of Dalgaranga completed on 10 November 2021. The Melville deposit at Yalgoo has the potential to be mined and hauled 110km by road and integrated into the Dalgaranga production plan.

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.