

**ASX RELEASE**

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30 August 2019

Issue of Securities

Gold Mountain Limited ("**GMN**" or "**Company**") advises that 21,733,333 new fully paid ordinary shares ("**Shares**") in the Company along with 19,733,338 options ("**Options**") are issued for the placement of shares ("**Placement Shares**") at a price of \$0.06 per share.

The sum of \$1,314,000 raised represents part of the proposed share placement as announced to the market on 31 July 2019.

The Placement Shares include 19,733,333 Shares with accompanying options of one option at exercise price \$0.10 expiring 28/8/2020 and one option at exercise price 0.15 expiring 28/8/2021 for every two (2) issued Placement Shares.

The funds raised are to be used for the purposes of meeting general working capital requirements and supporting its next stage planned exploration programs of the Wabag Project located in Papua New Guinea.

Pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) ("**the Act**"), the Company gives notification that:

- a) The total of 28,420,633 securities comprising of 8,687,295 Shares and 19,733,338 Options are issued without disclosure to investors under Part 6D.2 of the Act;
- b) As at the date of this notice, GMN has complied with the provisions of Chapter 2M as they apply to GMN, and section 674 of the Act; and
- c) As at the date of this notice, there is no information that is 'excluded information' within the meaning of the sections 708A(7) and 708A(8) of the Act which is required to be disclosed by GMN under section 708A(6)(e) of the Act.

Additional Information Required Under ASX Listing Rule 3.10.5A

The remaining 13,046,038 securities comprising of Shares are issued under Rule 7.1A. The Company provides the following additional information as required under ASX Listing Rule 3.10.5A.

Details of issue under 10% placement shares Listing Rule 7.1A

a) The dilutive effect¹ of the Placement on existing shareholders is as follows:

Number of shares on issue prior to the Placement: 549,716,526

Placement issue under Listing Rule 7.1A (13,046,038 Shares)	2.28%
Placement issue under Listing Rule 7.1 (8,687,295 Shares)	1.52%
Total dilution as a result of Placement	3.80%

¹ *Dilutive effect of placement does not include dilution arising from exercise of share options.*

- b) The Company considered the Placement as the most efficient and expedient method for raising the funds at the time.
- c) The Placement was not underwritten.
- d) The Company will pay 6% underwriting fee on the total funds raised.

A completed Appendix 3B reflecting the changes in capital structure is attached.

For further information, contact

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