



(ASX: GMN)

ASX RELEASE

15 September 2020

Drilling to Resume at Wabag - Testing Cu-Mo Porphyry System at Depth

Highlights

- **Easing of COVID-19 restrictions in PNG allow drilling to resume**
- **A detailed review of the first seven holes drilled on the Monoyal Prospect at the Wabag Project has been completed**
- **Utilising the results of this study and other geochemical data, GMN's porphyry expert is planning a four-hole, 2,800m programme of deep drilling**
- **Initially two 750m holes are to be drilled to test below wide anomalous zones of 0.10% Cu intersected in earlier drilling**
- **The location of the additional two holes will be contingent on the results of the first two holes and the detailed analysis of petrological and geochemical data**

Gold Mountain Limited (ASX: GMN) is pleased to announce that drilling at the company's flagship Wabag Project is to resume in October 2020. Restrictions surrounding COVID-19 have eased in PNG allowing the company to recommence its drilling program.

In the six months since drilling was paused GMN re-evaluated all the drilling data at Wabag and initiated further studies. Petrological analysis are underway, and a review of all the geochemical data from the first seven holes drilled at Wabag has been forwarded to a leading geochemist who is an expert in the geochemical and spectral signatures of porphyry deposits.

Following a detailed review of historical drilling data over the last three months undertaken by GMN's recently appointed porphyry expert, Phil Jones, GMN has now refined the drill hole locations to target below the copper and molybdenum mineralisation intersected in the first seven holes. Initially the drilling programme will comprise two deep holes, which have been planned to test below a wide (+50m) zone of +0.10% Cu mineralisation and below a zone of 30ppm to 177ppm Mo mineralisation

intersected in holes MCD003¹ and 004² respectively (MCPR001) and below a +50m wide zone of +0.1%Cu and 87ppm Mo intersected in hole MCD002³ (MCPR002).

The parameters for these two proposed holes are listed in Table 1 and their planned locations are presented on Figure 1.

Table 1. Monoyal, Mongae Proposed Holes

Hole No	Easting	Northing	Azimuth	Dip	Proposed depth (m)
MCPR001	809,995	9,419,939	225	-60	750
MCPR002	810,593	9,419,184	225	-60	750

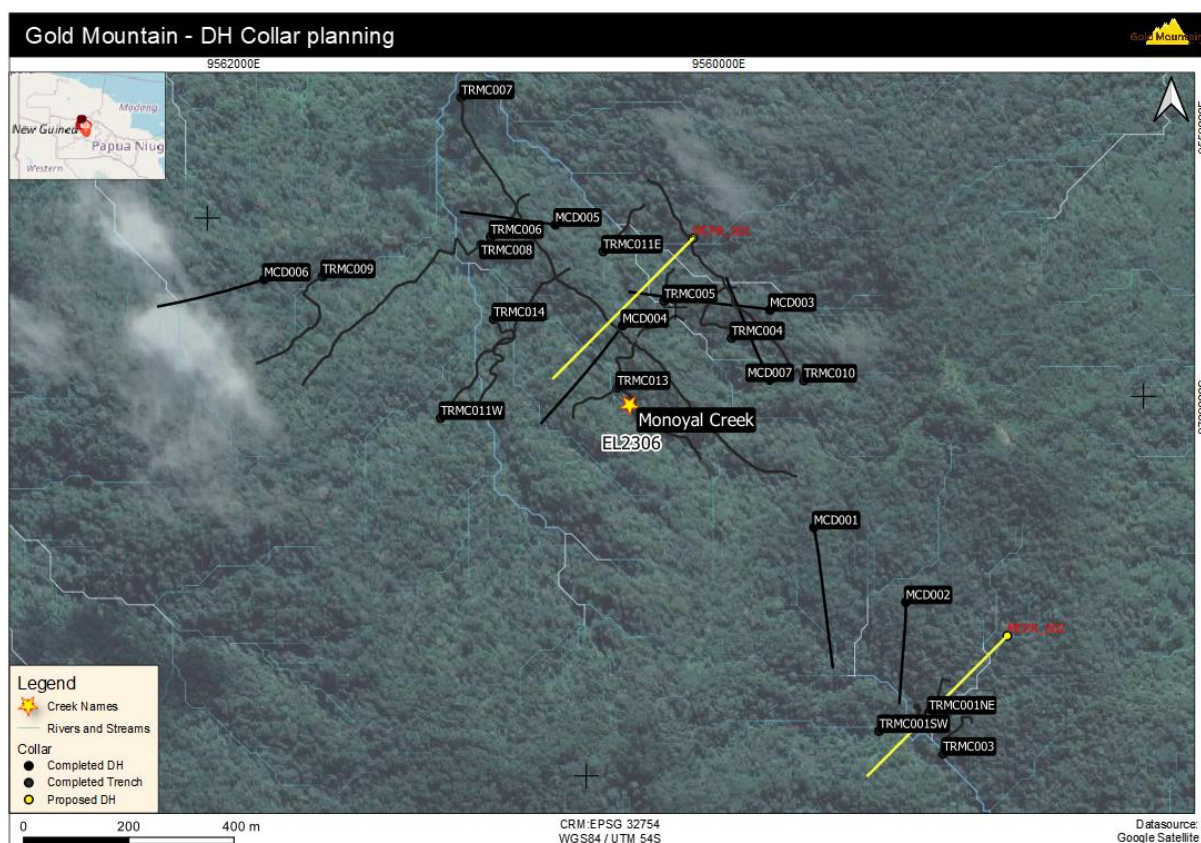


Figure 1. Mongae, Monoyal Proposed Hole Locations

¹ First reported in ASX Announcement of 13th February 2020: 'Initial Drill Hole at Monoyal Prospect Validates Surface Anomalies and Model'. Competent Person: Mr Patrick Smith

² First reported in ASX Announcement of 28th February 2020: 'Results from MCD004 Continue to highlight the Potential for Porphyry Style Mineralisation at the Monoyal Prospect I'. Competent Person: Mr Patrick Smith

³ First reported in ASX Announcement of 30th November 2018: 'Significant Copper Drill Intercept MCD002 Mongae Creek' Competent Person: Mr Douglas Smith

MCPR001 has been designed to test the anomalous zones of copper and molybdenum mineralisation below MCD003 and MCD004. MCD003 intersected sheeted veins and stockwork style mineralisation between 50m to 250m and high background copper mineralisation (+500ppm Cu) throughout the hole with the best intercept being 72m @ 0.13% Cu and 88ppm Mo from 404m⁴.

MCD004 intercepted a wide zone of anomalous mineralisation including 54m @ 0.14% Cu, 177ppm Mo, 1.6 g/t Ag and 0.06 g/t Au from 128m⁵. The hole also intercepted a 315m wide zone of strongly elevated molybdenum geochemistry (112 ppm Mo) from 135m, partially independent of copper mineralisation. The logged geology, alteration and trace element geochemistry intersected in both MCD003 and MCD004 indicate that these holes were drilled above the possible potassic core of a porphyry system. Figure 2 shows the drill hole trace for MCPR001 testing beneath the elevated zones of copper and molybdenum intersected by MCD004.

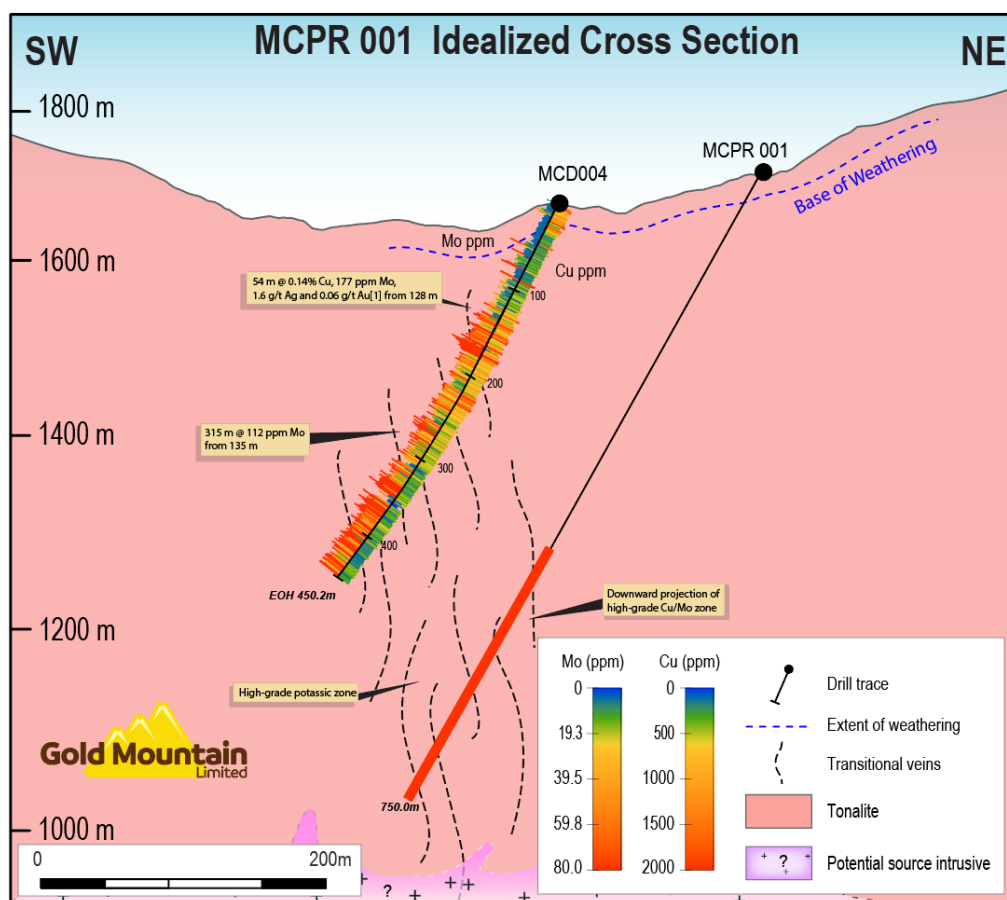


Figure 2. Proposed drill hole trace for MCPR001, drilled oblique to MCD003 and directly beneath MCD004

⁴ First reported in ASX Announcement of 13th February 2020: 'Initial Drill Hole at Monoyal Prospect Validates Surface Anomalies and Model'. Competent Person: Mr Patrick Smith

⁵ First reported in ASX Announcement of 28th February 2020: 'Results from MCD004 Continue to highlight the Potential for Porphyry Style Mineralisation at the Monoyal Prospect I'. Competent Person: Mr Patrick Smith

Hole MCPR002 has been planned to test beneath the 61m @ 0.14% Cu and 31ppm Mo mineralisation intersected in MCD002⁶ and it will also test a series of quartz-pyrite-gold and quartz-molybdenite veins observed in outcrop in the stream below MCD002 which were not tested by that hole due to its orientation. The alteration assemblage in MCD002 (advanced argillic) is indicative that the hole was possibly drilled above the higher grade potassic core of a porphyry deposit. Figure 3 shows the drill hole trace for MCPR002 which is being drilled oblique to the section than MCD002 is located on. Figure 4 shows the drill hole traces for both MCPR001 and MCP002 projected onto the same section, due to the orientation of holes MC002, 003 and 004 they do not appear on this section.

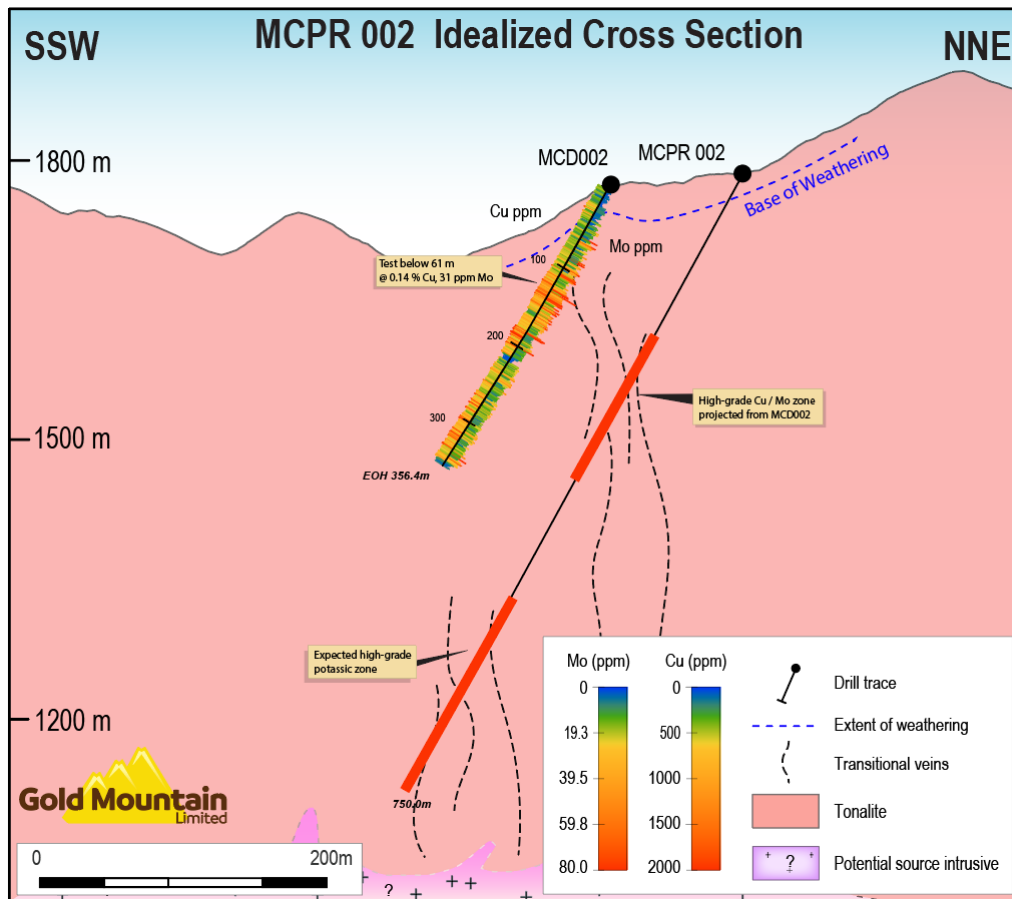


Figure 3. Drill hole trace for MCPR002, drilling beneath zone of 61m @ 0.14% Cu intersected in MCD002

⁶ First reported in ASX Announcement of 30th November 2018: 'Significant Copper Drill Intercept MCD002 Mongae Creek' Competent Person: Mr Douglas Smith

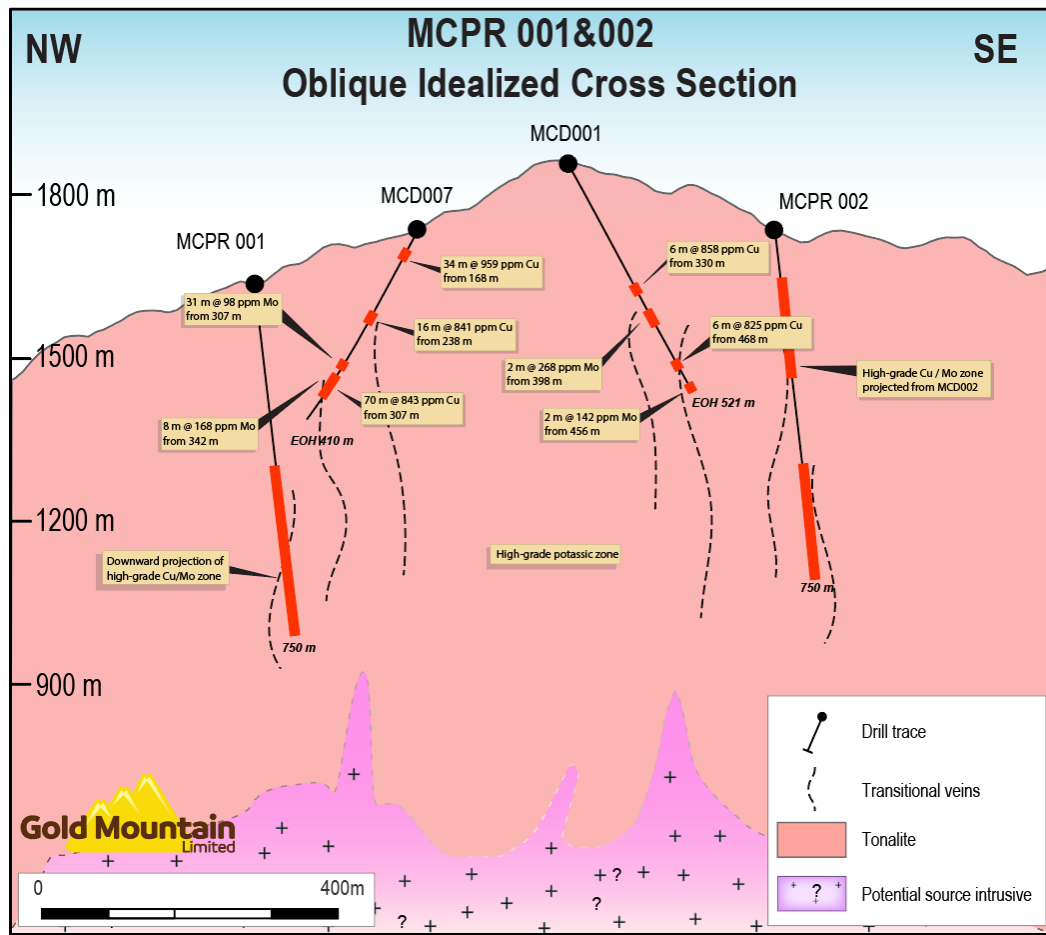


Figure 4. Holes MCP R001 and 002 projected onto the same section

The planned holes will have target depths of between 700m to 750m and they are designed to intersect elevated copper and molybdenum mineralisation approximately 200m below the previous intercepts in holes MCD002, 003 and 004. The holes have been specifically designed to test the deeper parts of the porphyry system. The drilling of these holes is scheduled to commence in October, with both holes expected to be completed by early December.

A further two holes are planned for the Monoyal area as part of this second 2,800m programme. The locations of these holes will be dependent on the visual observations from holes MCP R001 and 002, as well as from petrological and geochemical vectoring work currently being undertaken.

Tim Cameron the CEO of GMN commented, "I am delighted that the company is able to restart drilling at our flagship Wabag Project after a six-month hiatus. GMN has used this time constructively to continue regional exploration programs, appoint a porphyry expert, review all the drill data for Monoyal, undertake detailed petrological work and engage a geochemist who specialises in porphyries to study our data. This drilling programme will test the deeper parts of the mineralised porphyry system at Monoyal and Mongae with the view that the tenor of mineralisation will increase with depth, and that we will intersect the high grade potassic core of the system".

Phil Jones, GMN's porphyry expert added "After reviewing the data from GMN's first seven holes, I am confident that exploration has identified a large copper-molybdenum tonalite porphyry system. Additional drilling is required to test for potential high-grade mineralisation at depth given that trace element geochemistry suggests that the current drilling appears to be located in the upper portions of the porphyry system."

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This announcement is authorised for release by the GMN Board.

For further information please visit the website www.goldmountainltd.com.au or contact:



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Reference to Previous Releases

Drilling results referred to in this announcement have been previously announced to the market in the reports dated the 30th November 2019, and the 13th and 28th of February 2020 and are available to view and download from the company website www.goldmountainltd.com.au.

Gold Mountain Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. Gold Mountain Limited confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified from the original market announcements.