

**ASX ANNOUNCEMENT**

29 January 2015

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DECEMBER 2014 QUARTERLY REPORT

KEY POINTS

- Commencement of due diligence mapping and sampling programs on Viva No.20 Limited's Exploration Licences in Enga Province, PNG.
- Acquisition of initial 20% interest in Viva No.20 Limited.
- Agreement to purchase the unearned interest in the Cowarra Gold Project (EL5939) NSW.
- Change of company name from Commissioners Gold Limited to Gold Mountain Limited.
- Unlisted Options (ASX Code: GMNAQ) exercise price \$0.18 expired on 31 December 2014 unexercised.

PROJECTS

Wabag, PNG (EL1966, EL1967, EL1968) – (earning 70%)

As announced on 30 June 2014, the Company entered into an Agreement with Viva No.20 Limited, a Papua New Guinea incorporated company, to acquire an initial 20% interest in three exploration licences in Enga Province, Papua New Guinea (collectively termed the Wabag Project), with an option to acquire a further 50% interest subject to certain conditions.

Under the agreement, Viva has granted to Gold Mountain an exclusive dealing period to undertake due diligence and complete the transaction. At the AGM held on 15 December 2014, shareholders voted to approve the initial acquisition.

The project covers a suite of Miocene intermediate intrusive rocks, related volcanics and younger metasediments of the New Guinea Thrust Belt, a strongly mineralised structural zone that dominates the Central Highlands region of PNG. Previous exploration has identified gold and platinum anomalies in stream sediments, most noticeably in the Timun River area of EL1968, where historic production of around 100kg gold and 3.5kg platinum has been recorded from alluvial mining operations since 1948. Artisanal gold mining is currently being undertaken in several locations within the Wabag Project area (Figure 1).

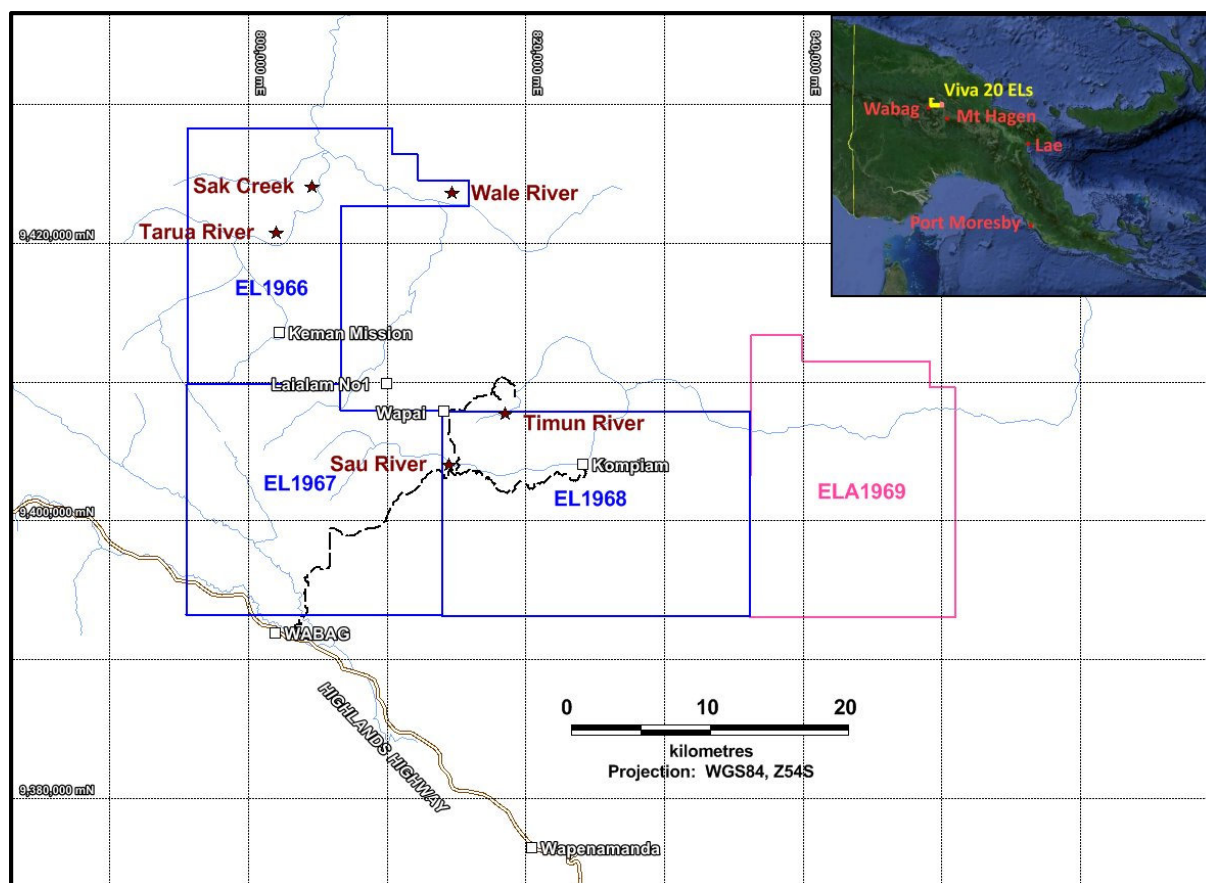


Figure 1: Location of Wabag Project ELs and prospects, PNG

A due diligence program of geological mapping and geochemical sampling was undertaken on the Sak Creek prospect (EL1966) and the Timun River prospect (EL1968) (Table 1). Sample locations are presented in Figures 2-4. Assay results are not yet available.

Sample Type	Sak Creek (EL1966)	Timun River (EL1968)
-80# stream sediment	19	7
Panned concentrate	0	7
Rock chip	17	3
Soil	331	0

Table 1 : Geochemical samples collected during 2014 due diligence program

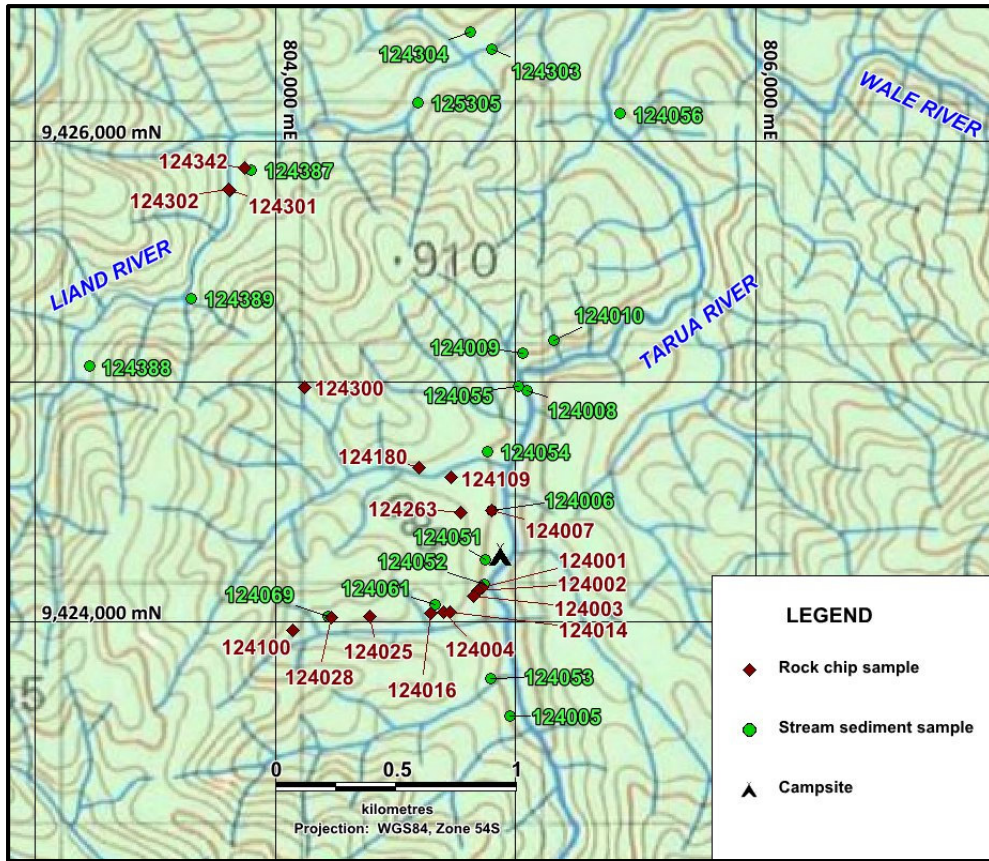


Figure 2: Sak Creek prospect, sample locations - rock chips and stream sediments

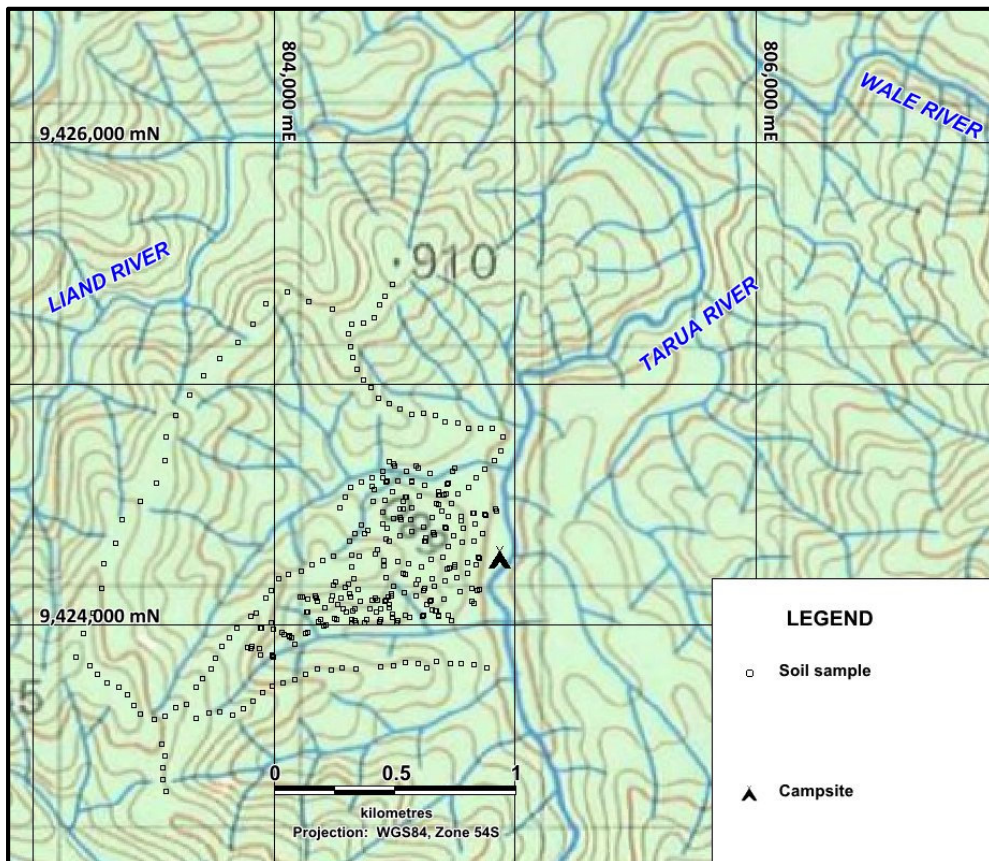


Figure 3: Sak Creek prospect, sample locations - soils

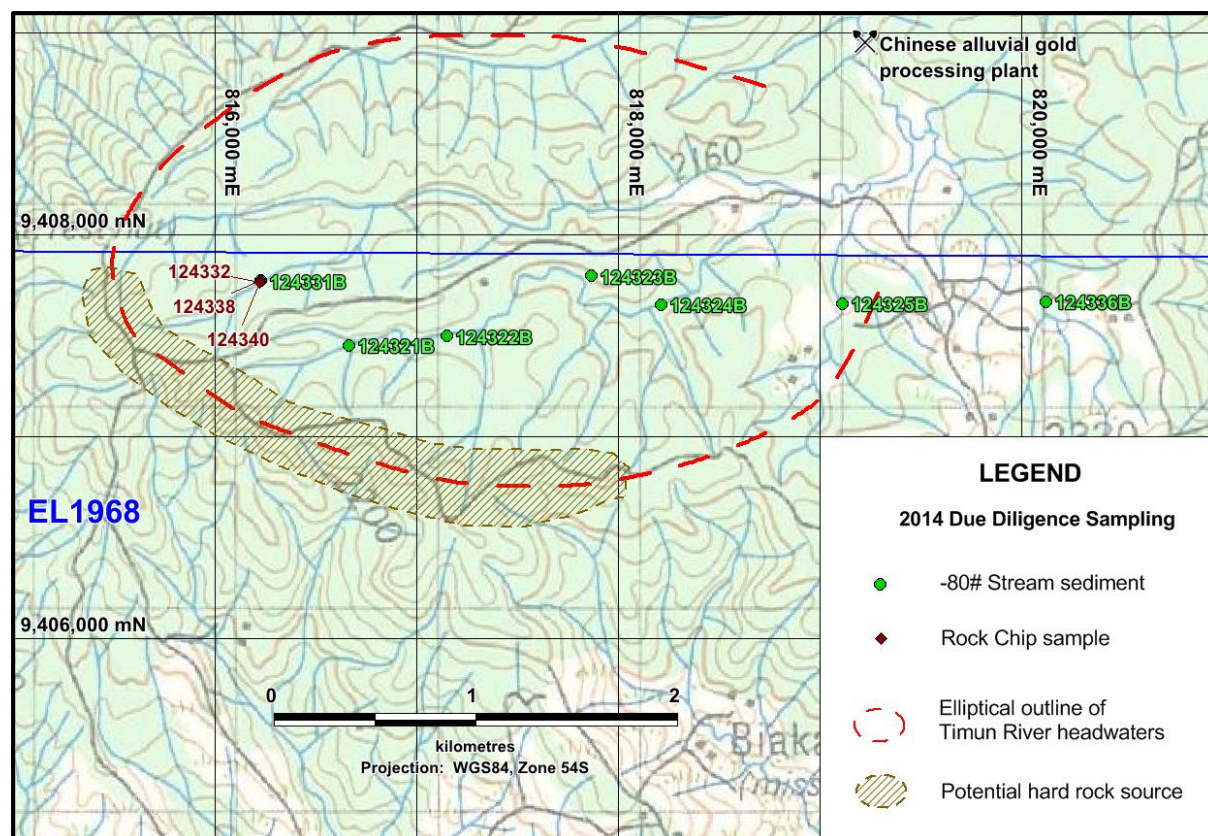


Figure 4: Timun River sample locations, rock chips and stream sediments

Note: panned concentrates collected at same sites as stream sediments

Goldsmith Resources SAC, Peru - (18.75% interest)

Goldsmith progressed the development of the Eladium underground mine, and Gold processing plant.

Cowarra, NSW (EL5939) - (50% interest)

The Cowarra Project (EL5939) is held by Gold Mountain Limited (50%) and Capital Mining Limited (ASX:CMY) under a farm-in agreement whereby Gold Mountain can earn up to 85% by exploration expenditure.

On 11 November 2014, the Company announced that it is in discussions with Capital Mining Limited to purchase the remaining unearned interest in the Cowarra Project.

Further to this on 6th Jan 2015 the company announced to the ASX the terms of the agreement.

No further work was completed on the tenement during the December 2014 quarter.

Dalton, NSW (EL6922) – (100%)

No further work was completed on the tenement during the December 2014 quarter.

Oberon, NSW (EL7702) – (earning 70%)

No further work was completed on the tenement during the December 2014 quarter.

Grenfell, NSW (EL8263) – (100%)

No further work was completed on the tenement during the December 2014 quarter.

Statements contained in this report relating to exploration results and potential is based on information compiled by Murray Hutton, who is a Member of the Australian Institute of Geoscientists. He is a consultant geologist employed by Geos Mining and has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC Code). Murray Hutton consents to the use of this information in this report in the form and context in which it appears.

Appendix 5B

Mining Exploration entity quarterly report

Name of entity

GOLD MOUNTAIN LIMITED

ABN

79 115 845 942

Quarter ended ("current quarter")

31-December-2014

Consolidated statement of cash flows

Cash flows related to operating activities

	Dec quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(139)	(364)
(b) development	-	-
(c) production	-	-
(d) administration	(57)	(162)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(195)	(524)
Cash flows related to investing activities		
1.8 Payment for purchase of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other non current assets	-	(8)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other non current assets	-	-
1.10 Loans to Goldsmith Resources SAC	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - investment realignment	-	-
Net investing cash flows	-	(8)
1.13 Total operating and investing cash flows (carried forward)	(195)	(532)

Appendix 5B

Mining Exploration entity quarterly report

	Dec quarter \$A'000	Year to date (6 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(195)	(532)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	300	690
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other - Share Issue Costs	(45)	(48)
Net financing cash flows	255	642
Net increase (decrease) in cash held	60	110
1.20 Cash at beginning of quarter/year	250	200
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter/year (*Note below)	310	310

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	37
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment for consulting services at commercial rates and reimbursement of travel expenses.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cashflows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Appendix 5B

Mining Exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities - Convertible Notes	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	120
4.2 Development	-
4.3 Production	-
4.4 Administration	60
Total	180

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	27	6
5.2 Deposits at call	283	244
5.3 Bank overdraft	-	-
5.4 Other - Bills and Bank Term Deposits	-	-
Total: cash at end of quarter (item 1.22)	310	250

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

Appendix 5B

Mining Exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy backs, redemptions				
7.3 Ordinary securities	148,868,987	148,868,987	Fully Paid	Fully Paid
7.4 Changes during quarter				
(a) Increases through issues	18,000,000	-	Fully Paid	Fully Paid
(b) Released from escrow				
(c) Decreases through returns of capital, buy backs				
7.5 Convertible debt securities				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted	8,000,000	-	2.5 cents	2.5 cents
7.7 Options (description and conversion factor)			Exercise Price	Expiry Date
	750,000	-	30 cents	31-Dec-15
	500,000	-	7 cents	31-Dec-16
	27,733,455	-	4 cents	31-May-15
7.8 Issued during quarter - Rights Issue				
7.9 Exercised during quarter				
7.10 Expired during quarter	500,000	-	18 cents	31-Dec-14
7.12 Unsecured notes (totals only)				

Appendix 5B

Mining Exploration entity quarterly report

Pursuant to Listing Rule 5.3.3, a schedule of the Company's leases and interests therein is provided as follows:

Schedule of Tenements as at 31 March 2014			
Tenement Name	Number	Holder	Comments
Cowarra, NSW	EL 5939	Capital Mining Limited	CGU registered 50% interest, CGU earning 85% under farm-in.
Oberon, NSW	EL 7702	Central West Gold NL	CGU has 50% interest in the joint venture. The farm-in JV is registered.
Dalton, NSW	EL 6922	Commissioners Gold Limited	CGU 100%
Grenfell, NSW	ELA 4976	Commissioners Gold Limited	CGU 100%

Appendix 5B

Mining Exploration entity quarterly report

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



29/01/2015

Sign here:
Company Secretary

..... Date:

Print name: *Eric Kam*

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** - The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** - ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.