



30 July 2015

ASX Announcement – For immediate release

GMN enters agreement to acquire further 50% interest in exploration licences in Papua New Guinea

The Directors of Gold Mountain Limited (**Company**) are pleased to advise that the Company has entered into a share purchase agreement with Viva No. 20 Limited (**Viva**) and its shareholders (**Viva Shareholders**) to acquire a further 50% interest in Viva through the acquisition of shares (**Sale Shares**) from the Viva Shareholders, as contemplated by the Notice of AGM issued by the Company in November 2014.

The key terms of the acquisition are as follows:

- the consideration for the Sale Shares comprises a cash payment of \$150,000 and the issue by the Company of 60 million shares at 8 cents per share to the Viva Shareholders; and
- completion of the acquisition of the Sale Shares is conditional on a number of conditions precedent, including:
 - completion of the initial acquisition of the 20% interest in Viva; and
 - the obtaining of such regulatory and shareholder approvals as may be required, including those required by the ASX.

The Board's decision to exercise the option to acquire the 50% interest in Viva following completion of its due diligence enquiries is a reflection of its confidence in the gold exploration tenements held by Viva. Upon completion of the acquisition of the 50% interest, the Company will hold a controlling interest of 70% in Viva. The Directors believe that these tenements have the potential to be a very significant project for the Company moving forward.

The Company will shortly convene a general meeting to obtain the approval of shareholders for, amongst other things, the acquisition of the Sale Shares and the issue of 60 million shares to the Viva Shareholders. The Company has also requested a determination from the ASX regarding the Company's proposed acquisition of the 50% interest in Viva pursuant to chapter 11 of the ASX Listing Rules. The Company will inform the market regarding the outcome of the ASX determination.

The Company also wishes to advise that it has entered into a further agreement with Viva and the Viva Shareholders to extend the time for completion of the share purchase agreement entered into by the Company, Viva and the Viva Shareholders on 31 March 2015 in respect of the acquisition of the 20% interest in Viva, to allow completion of that agreement to occur on or before 31 December 2015.

The Directors anticipate that the completion of the acquisitions of the 20% and 50% interests in Viva will occur shortly after 28 November 2015. This date is the second anniversary of the registration of EL1967 and EL1968. After this date, the Company and the Viva Shareholders will be able to proceed with completion of the acquisitions of the Viva shares in compliance with the requirements of the Mining Act (PNG).

The Directors are excited about the direction in which the Company is headed, and will provide shareholders with an update on completion of these acquisitions in due course.

Eric Kam
Company Secretary