

**ASX Release**

16 August 2016

Issue of Shares for acquisition of additional 50% interest in Viva No.20 Limited

Gold Mountain Limited (**GMN** or **Company**) is pleased to advise that the Company has now completed the acquisition of additional 50% interest in the PNG project company, Viva No. 20 Limited (**Viva**).

Viva has 3 granted exploration licences, one of which hosts the flagship Crown Ridge Gold Project. The tenements are located at the Wabag Province in Papua New Guinea.

The Company has completed the initial acquisition 20% interest in Viva with the issue of 50 million consideration shares at \$0.03 each to vendors (**Viva Shareholders**) on 22 March 2016 after satisfying certain requirements of the Mining Act (PNG) which include that the transaction shall occur after the second anniversary of the registration of those exploration leases held by Viva.

At the 2015 AGM, GMN obtained shareholders' approval to issue a second tranche of 60 million consideration shares at \$0.08 per share to the Viva Shareholders for the acquisition of an additional 50% interest in Viva. At completion of this acquisition, the Company will hold a controlling interest of 70% in Viva.

The consideration shares issued to the Viva Shareholders are subject to voluntary escrow arrangement for a period of 12 months and shall be released from escrow on 16 August 2017.

Appendix 3B for the issue of the consideration shares is released together with this announcement.

Eric Kam
Company Secretary