



## ASX RELEASE

22 September 2016

### **Bulk Sampling program commences at Crown Ridge Gold Project**

- **High presence of free gold in the majority of trenches give technical team the confidence to immediately move to bulk sampling program at EL1968**
- **Bulk sampling will measure free gold in each pit and associated grades**
- **Airborne Helicopter Magnetic Survey successfully completed - 3D modelling underway**
- **Due diligence exploration work has commenced on EL2306 targeting an 'interpreted crater rim' diatreme**

Papua New Guinea focused precious metals exploration company, Gold Mountain Limited (**ASX:GMN**) ("**Gold Mountain**" "**the Company**" "**GMN**"), is pleased to announce that due to the high presence of free gold recovered from its recent trenching campaign at the Crown Ridge Gold Project, the Company has taken the decision to fast-track to an intensive bulk sampling program at the EL1968 tenement.

The high presence of free gold throughout the trenches (see figure 1) has given the technical team the confidence to move to bulk sampling. As a preliminary assessment of the economic potential of the free gold in soils discovered during trenching, an evenly spaced grid as the basis for bulk sampling has been designed to cover a 2 square kilometre area centred over highly prospective areas defined by the trenching.

A total of 94 test pits, each two cubic metres in dimension, have been planned for an unbiased assessment of free gold dispersion in soils and an indication of economic potential. A total of 1,880 tonnes are expected to be tested over the next 8-10 weeks. The bulk sampling will measure free gold in each pit and associated grades.

As well as bulk sampling, extensive exploration activity is occurring across the Crown Ridge project:

- Following the exclusivity agreement on the highly prospective EL2306, due diligence exploration work including stream sediment sampling, soil sampling and geographical mapping has commenced targeting the tenement's 'interpreted crater rim' diatreme.
- A helicopter-based regional magnetic survey covering multiple targets within EL1968, EL2306, & EL1966 has now been completed with 3D Geophysical modelling now



well underway. The company expects to release the 3D model and interpretation in the near term.

Gold Mountain's Director – Exploration Matthew Morgan stated: “The fact that we have moved swiftly to bulk sampling reflects our strong confidence in the Crown Ridge Gold Project and its compelling geology. We are now bulk sampling over approximately 2 square kilometres within the immediate area of the shallow free gold uncovered from the trenching program.”

Doug Smith, Gold Mountain's Consulting Exploration Geologist who is managing the bulk sampling program, commented: “The trenching programme was a technical success and has helped us greatly in understanding the local geology. Now, the assessment of the free gold must take a systematic exploration and testing approach, based on both geometry as well as our geologic understanding. This is why we are now bulk sampling.

“The potential at Crown Ridge is simply immense. No previous explorer has reported findings as those from the recent trenching programme discovery. Examination of the gold recovered indicates it is ‘in situ’, or has not moved. This indicates close proximity to the bedrock source, supporting our current model, but also adding a possibly lucrative dynamic to the project's economic potential.”

Matthew Morgan added: “With a significant ramp up in exploration activity across the Crown Ridge Gold Project, we continue to get a much better picture of the geology. The 3D Geophysical modelling is progressing well and we look forward to releasing the model and interpretation very soon. We will also update shareholders on the progress from the bulk sampling program as we receive results, as well as provide an update on reconnaissance exploration activity at EL2306. Our confidence in the potential for Crown Ridge continues to grow as exploration advances.”



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For information please see our website [www.goldmountainltd.com.au](http://www.goldmountainltd.com.au) or contact

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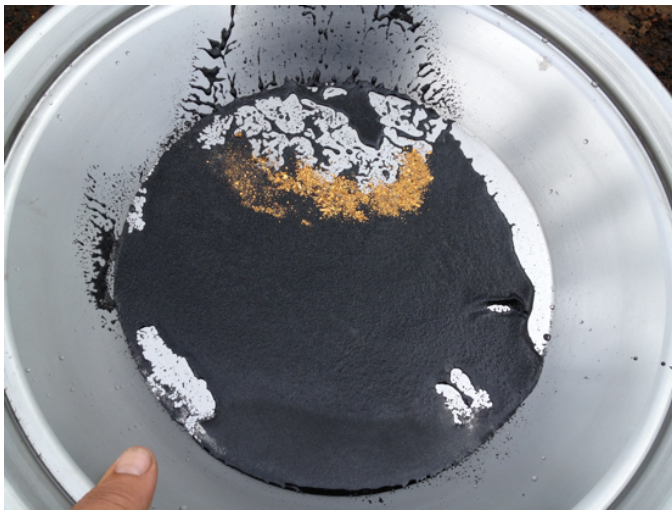
**Figure 1: Bulk sampling activities at EL1968**



**Figure 2: Gold recovered over altered clay unit at EL1968, gold found in clay also**



**Figure 3: Wash station at Pit 74, EL1968**



**Figure 4: Gold recovered from panning at EL1968**



**Figure 5: Free gold panned from Pit 25 (6 pans)**

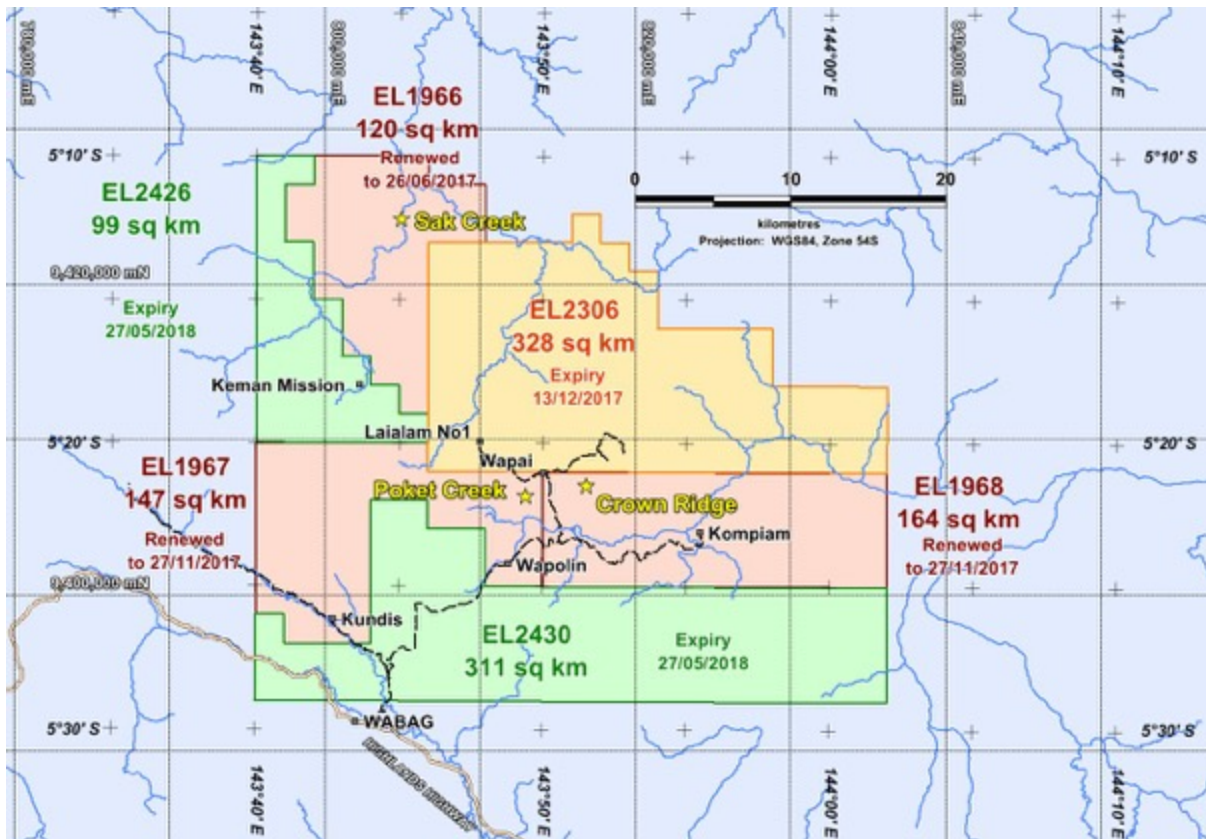


Figure 6: Gold Mountain tenement suite, Enga Province, PNG Highlands

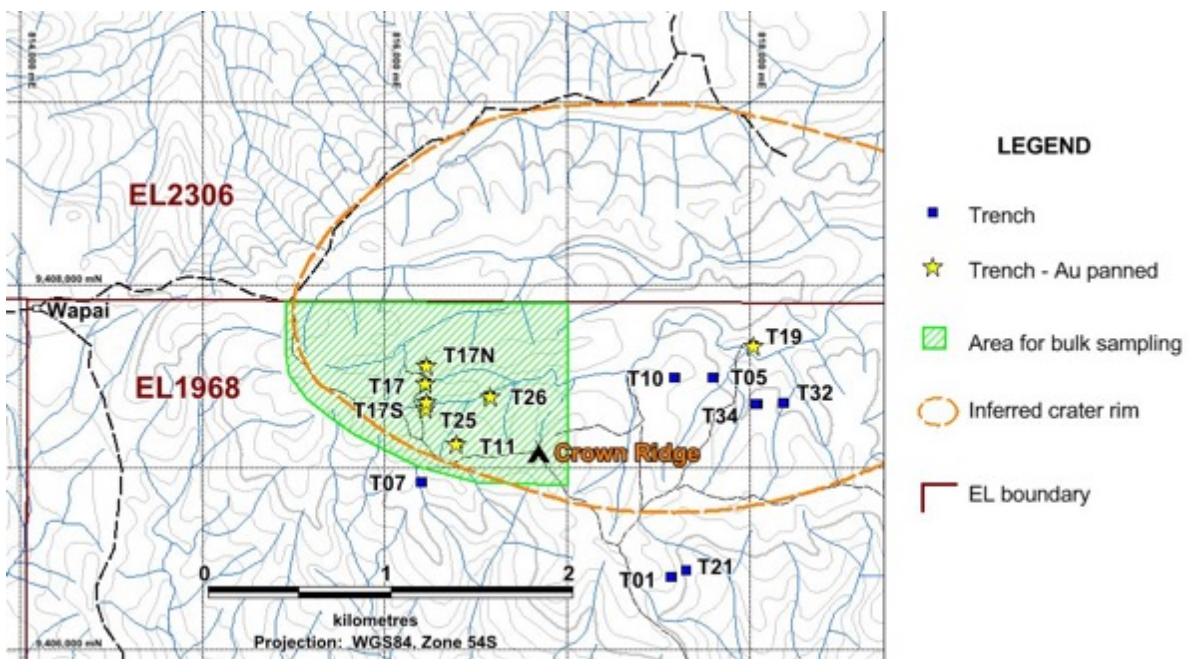
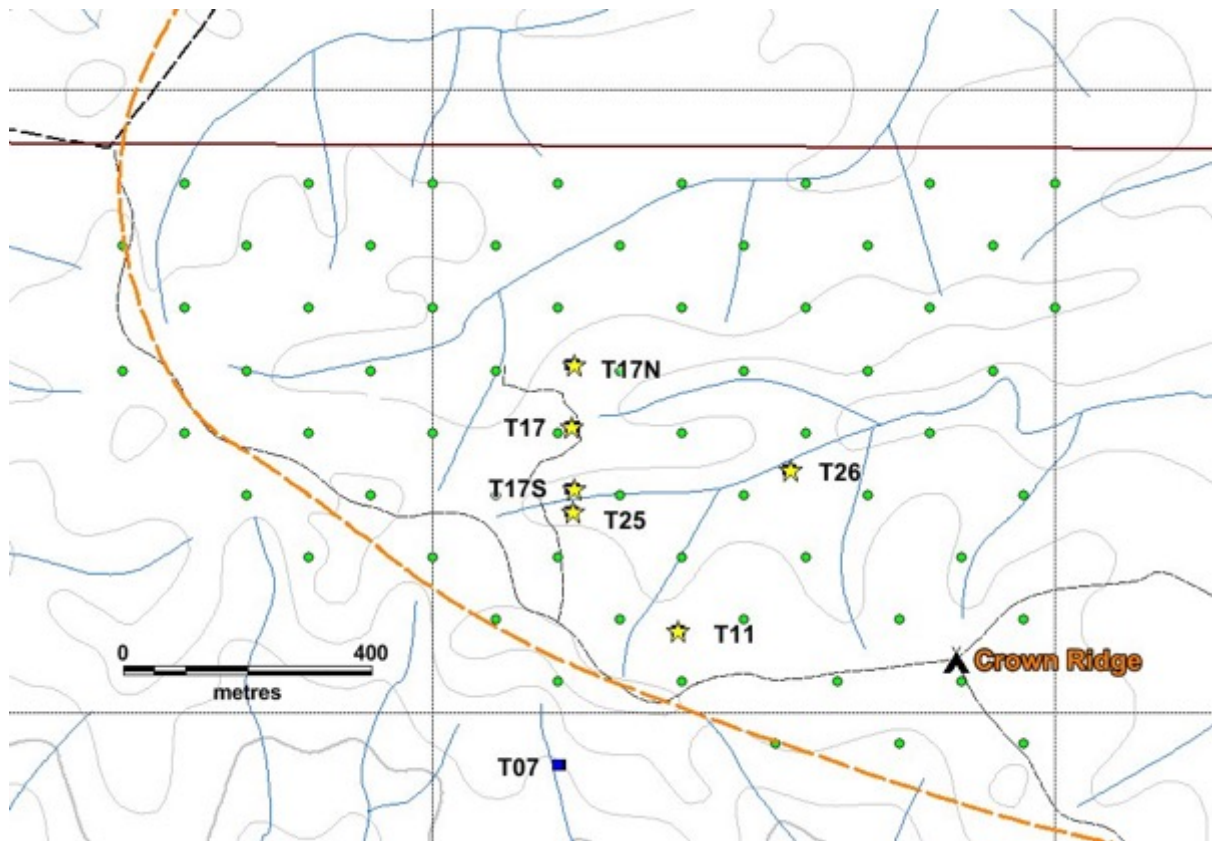


Figure 7: Location of Trenches within Crown Ridge EL1968 displaying Visual Gold



**Figure 8: Bulk Sampling pit locations within EL1968**

*Statements contained in this report relating to exploration results and potential are based on information compiled by Doug Smith, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Doug is a consultant geologist and has sufficient relevant experience in relation to the mineralisation styles being reported on, to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC) Code. Doug Smith consents to the use of this information in this report in the form and context in which it appears.*