

**ASX RELEASE****GMN**

22 March 2018

WIDE-SPREAD COBALT MINERALISATION DISCOVERED IN CONGLOMERATE AT CROWN RIDGE

HIGHLIGHTS:

- ✓ **Analysis of heavy mineral concentrates and drill core using a portable handheld XRF analyser.**
- ✓ **Cobalt up to 0.44% in heavy mineral concentrates derived from panning stream sediments in the current drainage.**
- ✓ **Low capex gravity process to recover gold and platinum could also recover high Cobalt contents in heavy mineral concentrates as a by-product**
- ✓ **Diamond drilling and bulk pit sampling continuing, with the aim to achieve a maiden Mineral Resource Estimation.**

- ✓ **Regional exploration programs continuing.**

Papua New Guinea-focused precious metals exploration company Gold Mountain Limited (ASX: GMN) ("Gold Mountain" or "the Company") is pleased to confirm that high cobalt readings have been achieved from a portable XRF analyser of panned concentrates collected from drainages in the Crown Ridge project, Enga Province, Papua New Guinea.

The company took delivery of a portable handheld XRF (Olympus Vanta model) in February and commenced testing in March. Panned concentrate samples collected from drainages within the Crown Ridge prospect gave XRF readings up to 4430 ppm Co (average of three readings) (Table 1).

The cobalt is likely to be derived from mafic / ultramafic rocks that have contributed to the Timun Conglomerate unit at Crown Ridge. The Timun Conglomerate contains significant amounts of gold and platinum and constitutes the main target mineralisation at Crown Ridge.

The detection of significant Cobalt in the panned concentrates adds another dimension to the Crown Ridge project. In a mining operation, processing of the conglomerate using gravity processing plants, to recover gold and platinum, would produce heavy mineral concentrates that could contain significant amounts of cobalt, which could be sold as a by-product.



Further testing of the Cobalt potential is planned.

Location	ID	East	North	RL	Co readings in ppm			
					1	2	3	Average
Kiangap Creek	BS01	816919	9407494	2232	4000	3900	3700	3860
Kiangap Creek	BS02	816653	9407480	2262	2510	2900	2400	2600
Uman Creek	BS03	816699	9407894	2244	4100	4400	2800	3770
Uman Creek	BS04	816800	9408066	2227	4300	4300	4700	4430
Timin Creek	BS05	816920	9408142	2215	2800	2400	3000	2730
Timin Creek	BS06	816699	9408163	2226	2800	3100	4600	3500

Table 1: Portable XRF measurements of Cobalt in panned concentrates (refer to Figure 1 for sample locations (BS01-BS06))

PNG Cobalt

Cobalt is currently being mined and processed at one location in PNG. The Ramu Cobalt-Nickel Mine in Madang Province is the World's fifth largest producer of cobalt and has Reserves of 49Mt @ 1.0%Ni and 0.1%Co. This is a lateritic deposit that required large capital investment (\$2.1B).

Crown Ridge exploration

The diamond drilling and pit sampling programs at Crown Ridge, aiming to develop a maiden Mineral Resource, are ongoing. Table 2 lists diamond drilling completed to date and Table 3 lists the pit locations.

HoleID	Easting	Northing	RL	Dip	Azim	Length	Commenced	Completed
CRD001	815688	9407439	2290	-60	040	200.9	14/10/2017	29/10/2017
CRD002	815919	9407299	2316	-60	040	221.5	30/10/2017	7/11/2017
CRD003	816238	9407086	2298	-60	040	302.1	13/11/2017	24/11/2017
CRD004	816814	9407155	2300	-60	330	70.5	25/11/2017	28/11/2017
CRD005	816814	9407155	2300	-70	180	470.6	28/11/2017	24/12/2017
CRD006	816814	9407155	2300	-60	340	329.9	25/12/2017	3/01/2018
CRD007	816633	9407637	2314	-90	000	106	23/01/2018	3/01/2018
CRD008	816457	9407582	2248	-90	000	94.8	4/02/2018	9/02/2018
CRD009	816301	9407571	2298	-90	000	96.8	11/02/2018	14/02/2018
CRD010	816509	9407441	2281	-90	000	88.0	16/02/2018	19/02/2018
CRD011	816353	9407452	2301	-90	000	108.0	24/02/2018	27/02/2018
CRD012	816185	9407404	2317	-90	000	104.6	1/03/2018	5/03/2018
CRD013	816503	9407437	2292	-75	095	236.5	7/03/2018	14/03/2018
CRD014	815874	9407674	2327	-65	050	92.5	16/03/2018	19/03/2018

Table 2: Diamond drillholes completed at Crown ridge
Grid co-ordinates in WGS84, Zone 54S datum



Pit_ID	East	North	RL	Depth	Commenced	Completed
CRP001	816432	9407067	2296	5	11/10/2017	14/10/2017
CRP002	816167	9407137	2328	4.85	10/10/2017	17/10/2017
CRP003	815880	9407336	2329	4.8	17/10/2017	23/10/2017
CRP004	815875	9407344	2327	5	19/10/2017	23/10/2017
CRP005	816129	9407393	2273	4.15	24/10/2017	30/10/2017
CRP006	816665	9407405	2253	5.4	27/10/2017	13/11/2017
CRP007	816382	9407445	2276	4.4	2/11/2017	6/11/2017
CRP008	816672	9407634	2315	5.22	7/11/2017	13/11/2017
CRP009	816304	9407592	2303	4.85	17/11/2017	25/11/2017
CRP010	816458	9407612	2292	4.1	26/11/2017	2/12/2017
CRP011	816402	9407258	2280	4.65	20/12/2017	30/12/2017
CRP012	815889	9407696	2312	5	4/01/2018	12/01/2018
CRP013	816092	9407638	2282	5	17/01/2018	23/01/2018
CRP014	815944	9407487	2291	4.7	24/01/2018	30/01/2018
CRP015	816798	9407550	2269	5	31/01/2018	3/02/2018
CRP016	816892	9407353	2285	5.3	4/02/2018	7/02/2018
CRP017	816993	9407563	2263	4.9	7/02/2018	12/02/2018
CRP018	817212	9407344	2278	5	13/02/2018	16/02/2018
CRP019	816761	9407210	2288	5	23/02/2018	26/02/2018
CRP020	816588	9407347	2267	4.5	26/02/2018	28/02/2018
CRP021	816565	9407438	2288	4.9	1/03/2018	4/03/2018
CRP022	816699	9407475	2297	5	5/03/2018	7/03/2018
CRP023	816765	9407418	2263	5	7/03/2018	9/03/2018
CRP024	816504	9407402	2267	4.8	10/03/2018	12/03/2018
CRP025	816488	9407493	2292	4.9	13/03/2018	15/03/2018
CRP026	816724	9407337	2287	4.5	16/03/2018	18/03/2018
CRP027	816646	9407301	2251	2.4	19/03/2018	19/03/2018

Table 3: Bulk sampling pits completed at Crown ridge
Grid co-ordinates in WGS84, Zone 54S datum

Regional exploration

GMN holds exploration tenements covering 2,010 km² in the Wabag area of PNG. There is excellent potential for discovering significant new Gold, Copper, Platinum and Cobalt deposits throughout Gold Mountain's Exploration Licences and regional exploration programs are ongoing.

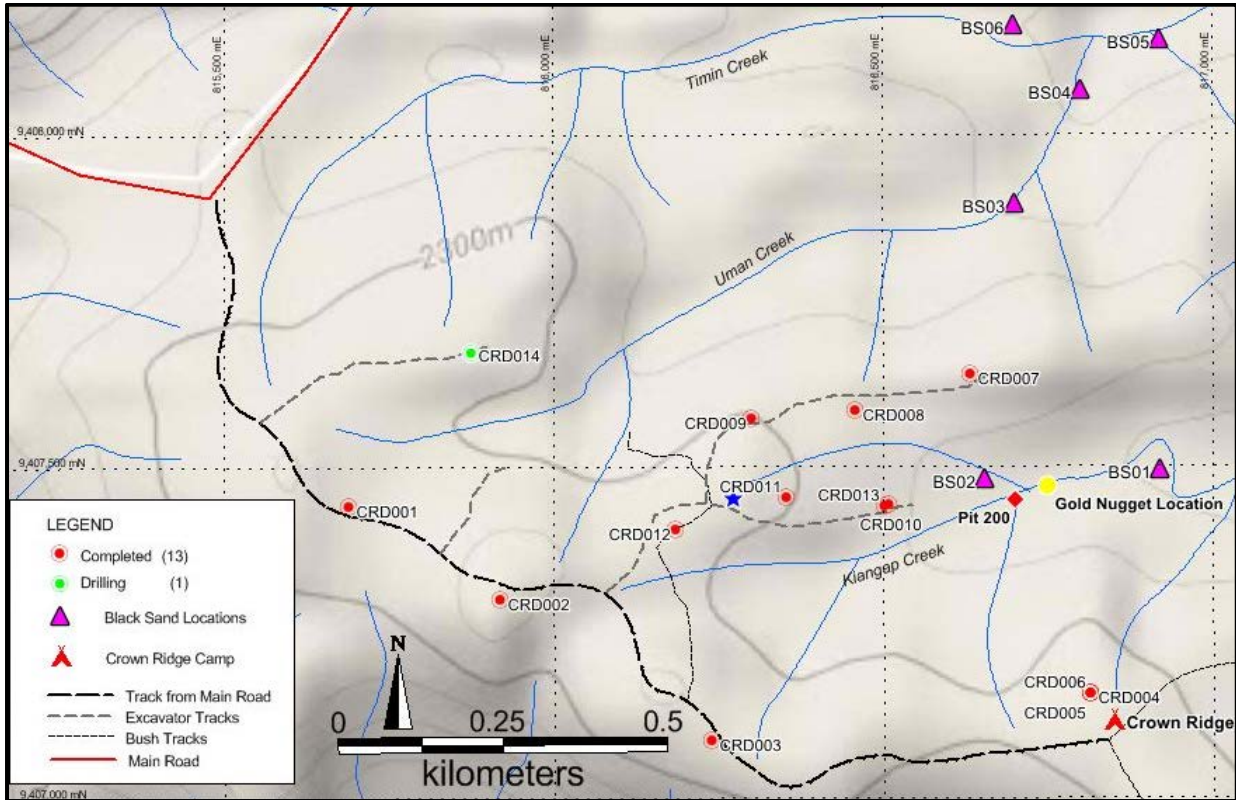


Figure 1: Locations of panned concentrate samples (purple triangles) tested by XRF analyser.

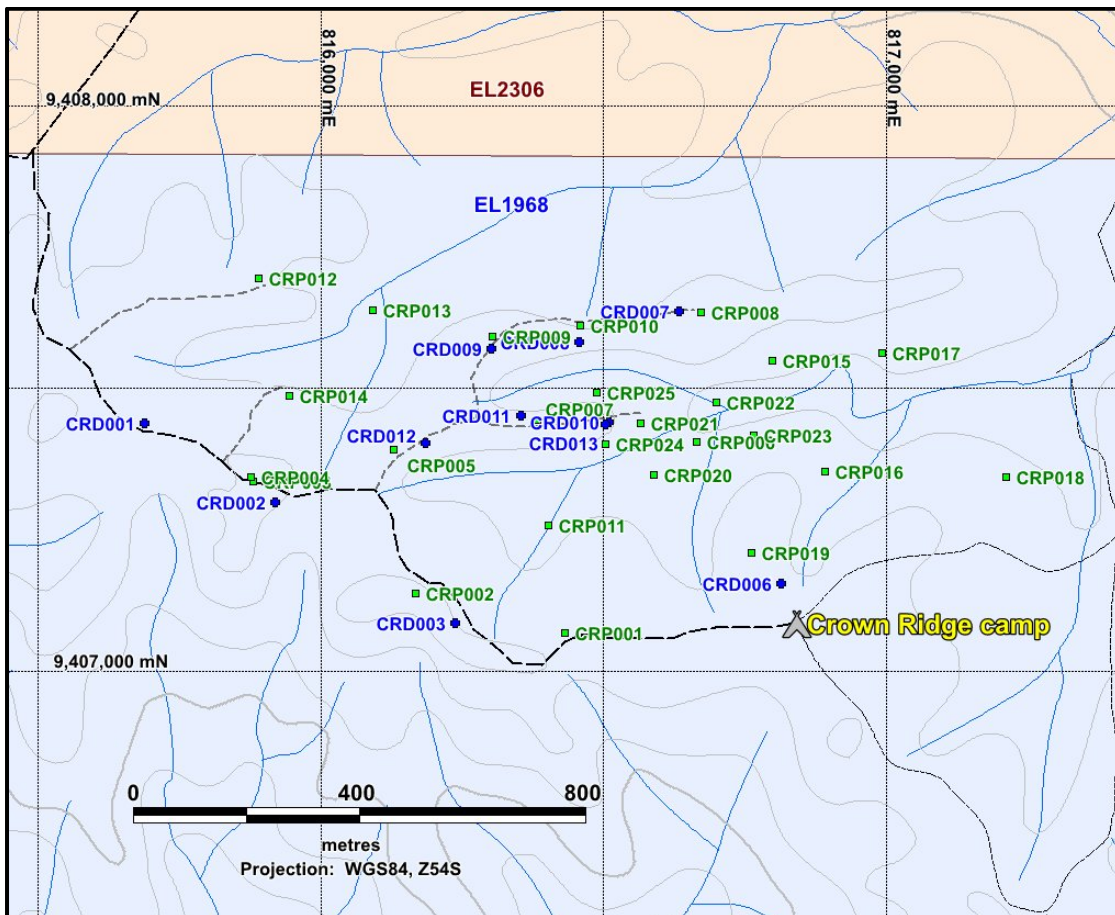


Figure 2: Location of drillholes (blue) and bulk sampling pits (green) completed at Crown Ridge

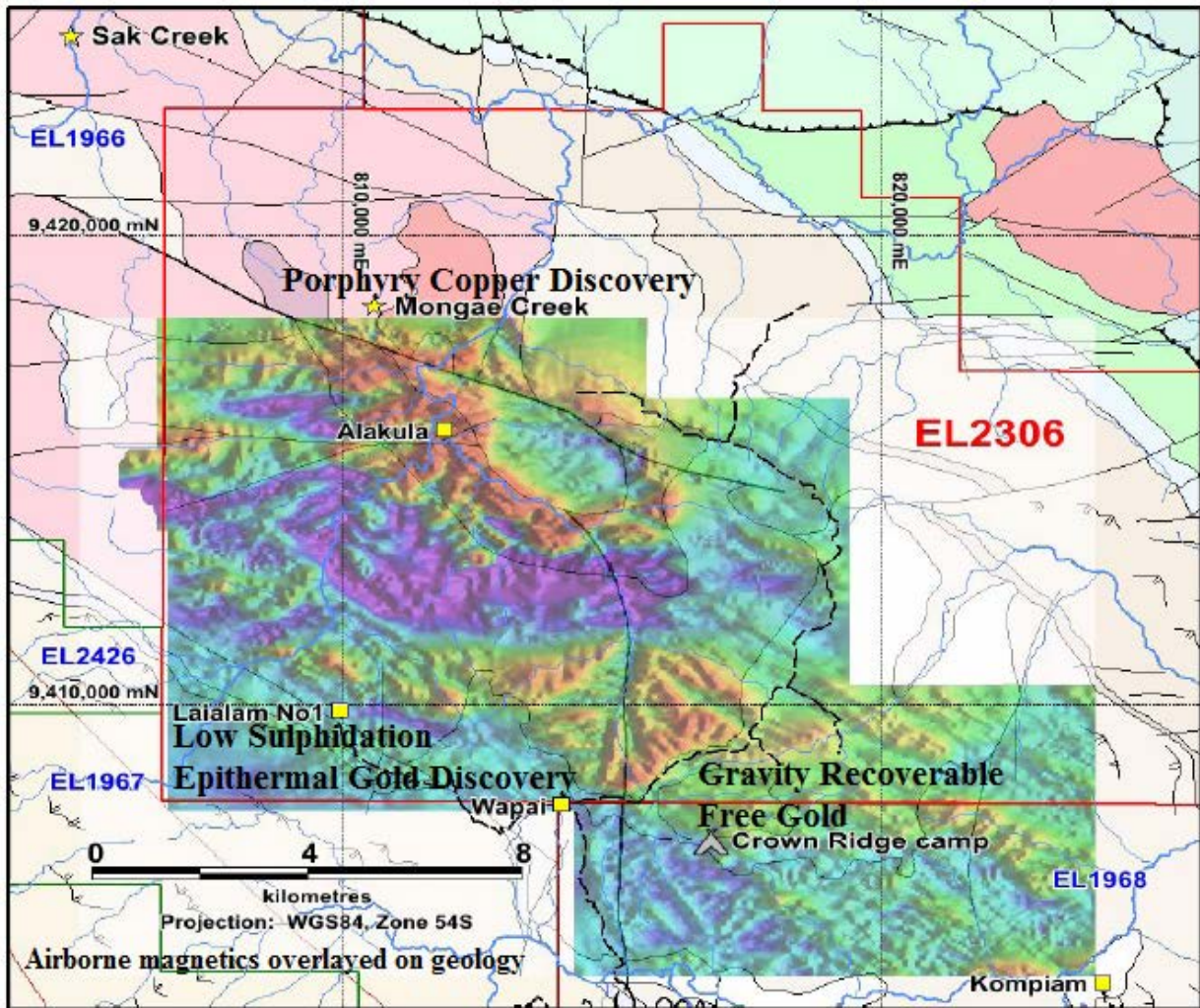
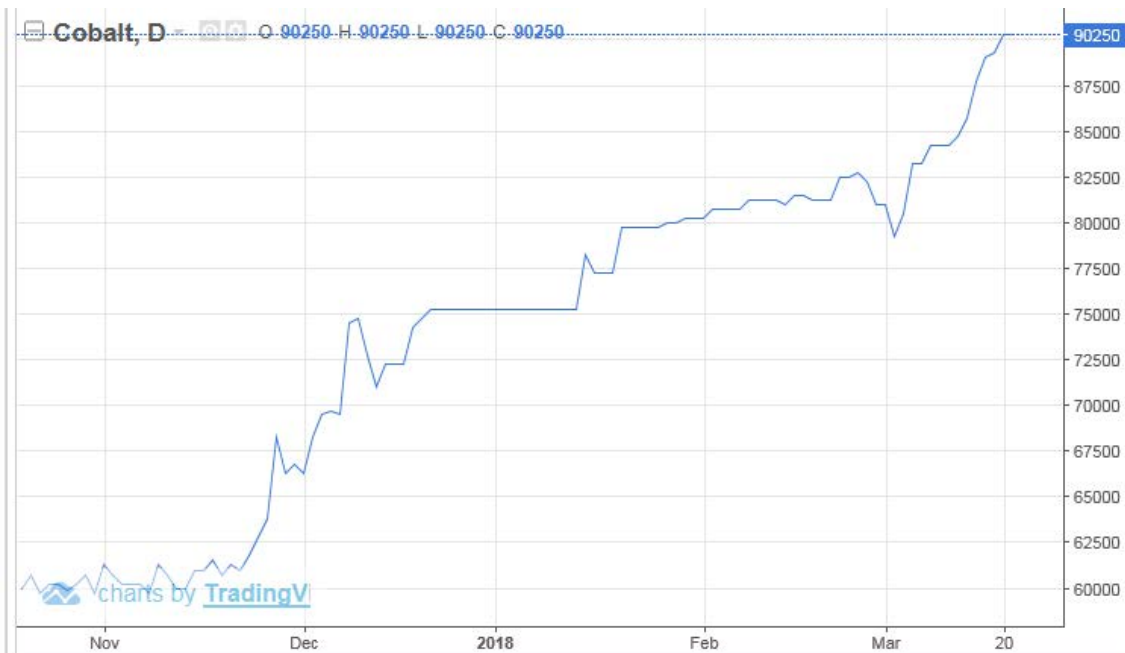


Figure 3: Location of Crown Ridge and the Mongae Creek prospect in EL2306
Map shows regional geology and airborne magnetics data

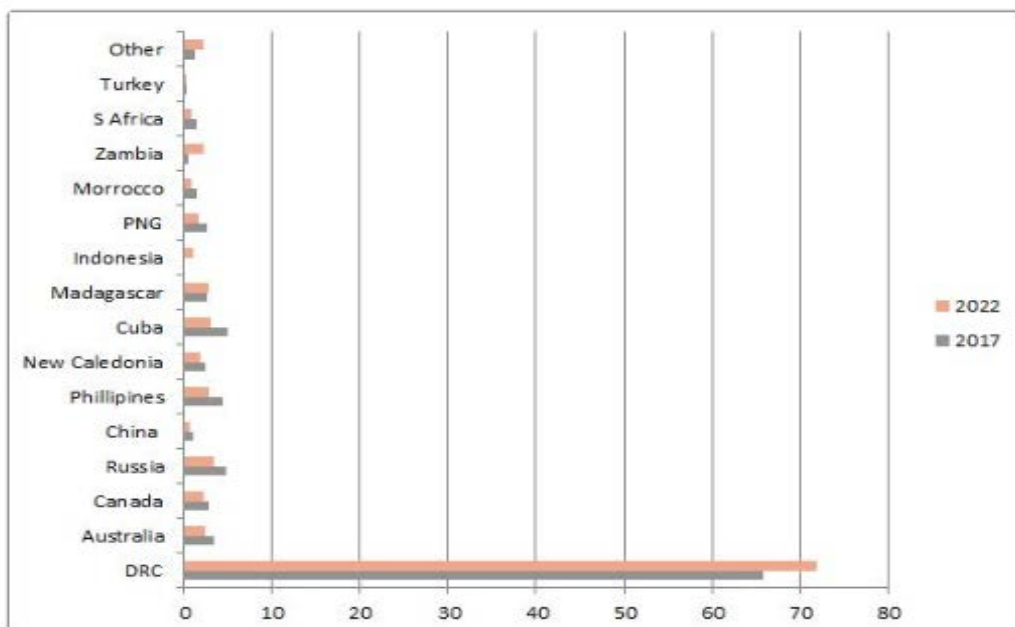


Cobalt Price Graph



- Cobalt Price hits new 10-year highs, as Glencore predicts Cobalt Supply Crunch despite its planned increase of cobalt production in the Democratic Republic Congo (DRC). The Swiss-based miner is expected to produce about 39,000 tonnes this year or about 35 percent of the global total, estimated at 110,000 tonnes by analysts (Reuters, 21 3 2018).
- The DRC is preparing to more than double a tax on two-thirds of global cobalt supply, potential increasing the cost of the critical battery metal just as the world begins to embrace electric vehicles (Bloomberg Jan 2018).

Cobalt Supply By Country (2017 vs 2022) #cobalt #ev





To view the latest photographs showing progress of exploration programs on the Wabag project here:
<https://www.goldmountainltd.com.au/gallery>

For further information please see our website www.goldmountainltd.com.au or contact:

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About Gold Mountain

Gold Mountain Limited (ASX:GMN) is a junior mining explorer focused on delivering shareholder returns by developing its gold projects in Papua New Guinea (PNG). The company's experienced management team has assembled a portfolio of tenements prospective for gold, covering a total area of 2010km² within the Highlands of PNG. Gold Mountain is now focused on advancing its flagship Crown Ridge Gold project to assess the viability of and, results permitting, develop a relatively short term start up bulk gold mining operation.

The Company is fully funded for the current drilling and bulk sampling program aim at defining a maiden Mineral Resource Estimate (MRE) under JORC 2012 guidelines and additional exploration as required.

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 2012). Doug Smith consents to the use of this information in this report in the form and context in which it appears.



JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	Analysis of panned concentrates using a portable handheld XRF analyser - Olympus Vanta model.
<i>Drilling techniques</i>	Diamond drilling using triple tube PQ / HQ equipment.
<i>Drill sample recovery</i>	Recovery measured for each drill run.
<i>Logging</i>	Drill core logging of lithologies, structures, alteration veining and mineralisation.
<i>Sub-sampling techniques and sample preparation</i>	Drillhole sampling by splitting core in half using a diamond core saw.
<i>Quality of assay data and laboratory tests</i>	Analysis by handheld XRF – three readings taken for each sample
<i>Verification of sampling and assaying</i>	No quality control sampling has been undertaken to date.
<i>Location of data points</i>	Pit locations and drillhole collar positions were determined by handheld GPS readings (accuracy +/- 5m) and recorded in WGS84, Zone 54S datum.
<i>Data spacing and distribution</i>	Data spacing and distribution will not be sufficient for Mineral Resource estimation. No sample compositing has been applied.
<i>Orientation of data in relation to geological structure</i>	The orientation of samples is not likely to bias the assay results.
<i>Sample security</i>	Drill core samples are currently stored in a locked shed at the Crown Ridge camp.
<i>Audits or reviews</i>	No audits of the data have been undertaken to date. Samples will be forwarded to ALS laboratories in Townsville for ICP and XRF analysis.



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	EL1968 was granted to Viva No 20 Limited on 28 Nov 2013 and expires on 27 Nov 2017. The current tenement area is 164 km ² . GMN is earning 70% interest. Application for renewal of the tenement has been lodged with MRA in Port Moresby.
Exploration done by other parties	All exploration programs conducted by Gold Mountain Limited.
Geology	EL1968 contains potential for intrusive-related gold-copper deposits, epithermal-style gold deposits, alluvial gold-platinum deposits and Alaskan-style platinum deposits.
Drill hole Information	Drilling by QED using an Atlas Copco track-mounted CS14 Drill Rig running triple tube PQ / HQ drill rods. Collar co-ordinates, inclination, azimuth and depth presented in Error! Reference source not found. 2 of this announcement.
Data aggregation methods	No material information is excluded. No intersections have been reported as part of this release.
Relationship between mineralisation widths and intercept lengths	No material information is excluded. No intersections have been reported as part of this release.
Diagrams	Maps showing the locations of the drill holes completed at Crown Ridge are presented in this announcement
Balanced reporting	Announcement reports all Co results of the panned concentrate samples analysed to date.
Other substantive exploration data	Geochemical surveys have been previously reported. These included soil sampling, stream sediment sampling, rock chip sampling, trench and pit sampling. A Helimag survey involving flying lines at 100-metre line spacing, was completed in 2016 and processing and reporting of the data were previously announced.
Further work	Continued bulk sampling and diamond core drilling at Crown Ridge, leading up to the estimation of Mineral Resources. Regional geochemical sampling and geological mapping to detect other areas of potential gold mineralisation.