



ASX : GMN

3 May 2018

CONGLOMERATE GOLD

BULK SAMPLING PLANT PREPARED FOR SHIPMENT, EXPANSION OF EXPLORATION ACTIVITIES

HIGHLIGHTS:

- ✓ **Mobile bulk sampling gold plant for testing nugget-bearing conglomerate gold unit completed and containerised for shipping to PNG**
- ✓ **Plant will expedite definition of near surface Mineral Resource Estimate from close-spaced large volume (125m³) conglomerate samples**
- ✓ **New Caterpillar Excavator 320DL2 now permanently on site to expedite exploration trenching to sample potential Bonanza grade gold-bearing structures identified in geophysical data**
- ✓ **Four exploration teams mobilised to fast track ground-truthing multiple targets in unexplored terrain of Papuan Mobile Belt that hosts World Class mines**

Papua New Guinea-focused precious metals exploration company Gold Mountain Limited (ASX: GMN) ("Gold Mountain" or "the Company") is pleased to announce the completion of its purpose built, mobile bulk sampling gold plant for testing the nugget-bearing conglomerate gold and platinum unit. The plant was engineered and fabricated in Australia to specifically maximise precious metal recovery in the soil types at Crown Ridge.

The modular plant is now being containerised for shipment to PNG and delivery to the gold exploration program at Crown Ridge, Enga Province. This is a significant development as the commencement of Phase 5 Bulk Sampling will expedite the definition of the Mineral Resources of the shallow gold deposits. Phases 1-4 have enabled selection of gold-bearing areas for close-spaced 125m³ bulk samples.



Mobile gravity gold bulk sampling plant was engineered and fabricated in Australia



View of trommel and wet scrubber of mobile gravity gold bulk sampling plant



Containers being packed with components of the mobile gravity gold bulk sampling plant



Managing Director Tony Teng and new Consultant Geologist Michael Leu (inside container) visited Herberton to inspect the purpose built gravity gold plant prior to packing and shipping to PNG. Standing beside container, Tony King (LHS, Consultant Metallurgist and gold plant engineer) and Ken Wilson (RHS, gold plant engineer, fabricator)



Gravity gold bulk sampling plant purpose engineered and constructed in Australia ready to be shipped and operational at Crown Ridge



Containers being packed with components of the mobile bulk sampling gravity gold plant



A new Caterpillar Excavator 320DL2 is now permanently on site at Crown Ridge. This will expedite exploration trenching and sampling of structures identified in geophysical data including potential Bonanza grade gold-bearing systems.

Exploration Expanding on Multiple Fronts

Gold Mountain has first mover advantage and holds substantial areas within the fertile Gold-Copper endowed Papuan Mobile Belt that includes World Class mines.

The majority of the areas within the Exploration Licences have never been explored using modern technology. Multiple targets have been identified over the licence area of nearly 2,000km². Fast tracked early success indicates significant scale of potential discoveries within the ELs. Large areas still to be assessed

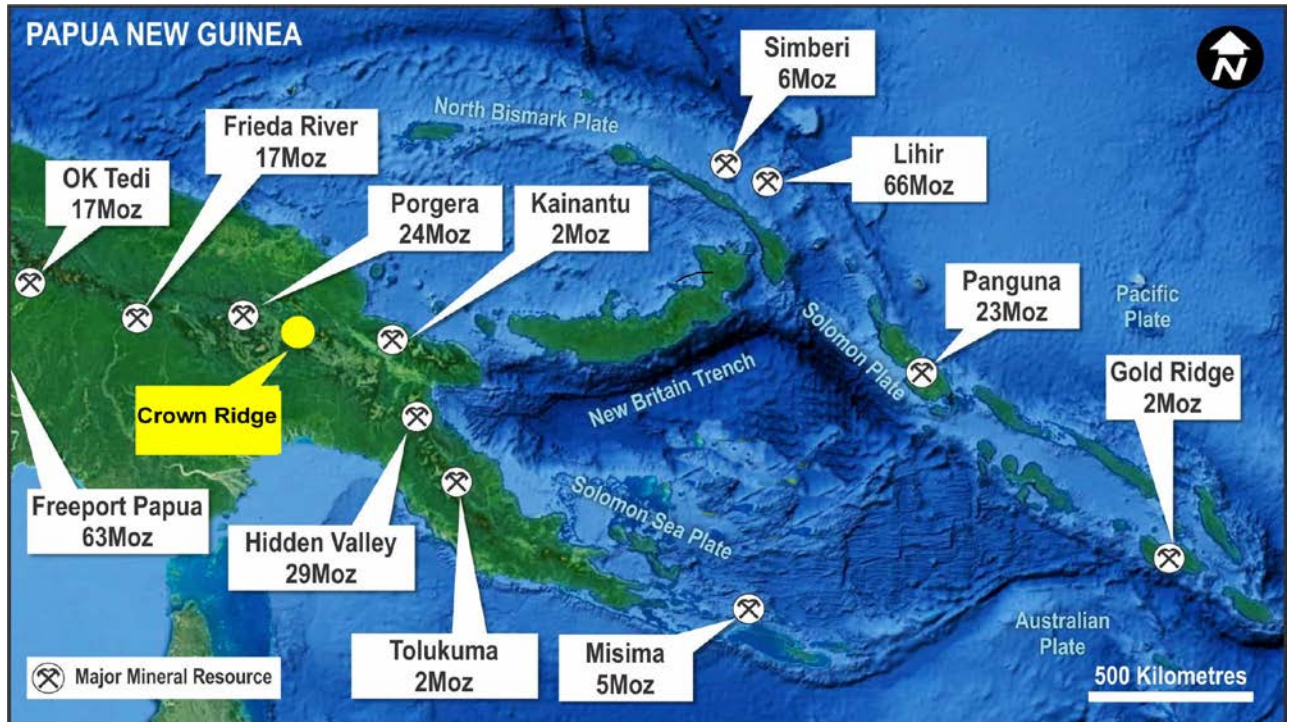


Figure 1: Location of Crown Ridge relative to major World Class gold mines in Papua New Guinea

Large Unexplored Areas in PNG's World Class Mineral Province, Early Exploration Success Includes:

- Flagship Crown Ridge. Final Phase 5 assessment of cash flow generating potential of free gold and platinum in conglomerate
- Newly Discovered large Porphyry System at Mongae Creek
- Newly Discovered (Feb. 2018) floaters from Low Sulphidation Epithermal Gold System at Laialam
- Platinum – the Search for the Source has Begun
- Ongoing exploration program advancing on several fronts
- Compelling geological evidence of potential to add significant assets to existing portfolio
- Continuous Positive News Flow
- Significant Discovery Potential for World Class Gold Mines

Exploration Director Doug Smith stated:

"We are excited the mobile bulk sampling plant is ready for shipping. Consultant Geologist Michael Leu and I will be marking-out bulk sampling pit sites to generate gold grade data for a Mineral Resource estimate ahead of a Mining Lease Application. Michael and I are also planning expanded exploration on multiple fronts across the large area covered by Gold Mountain's Exploration Licences."

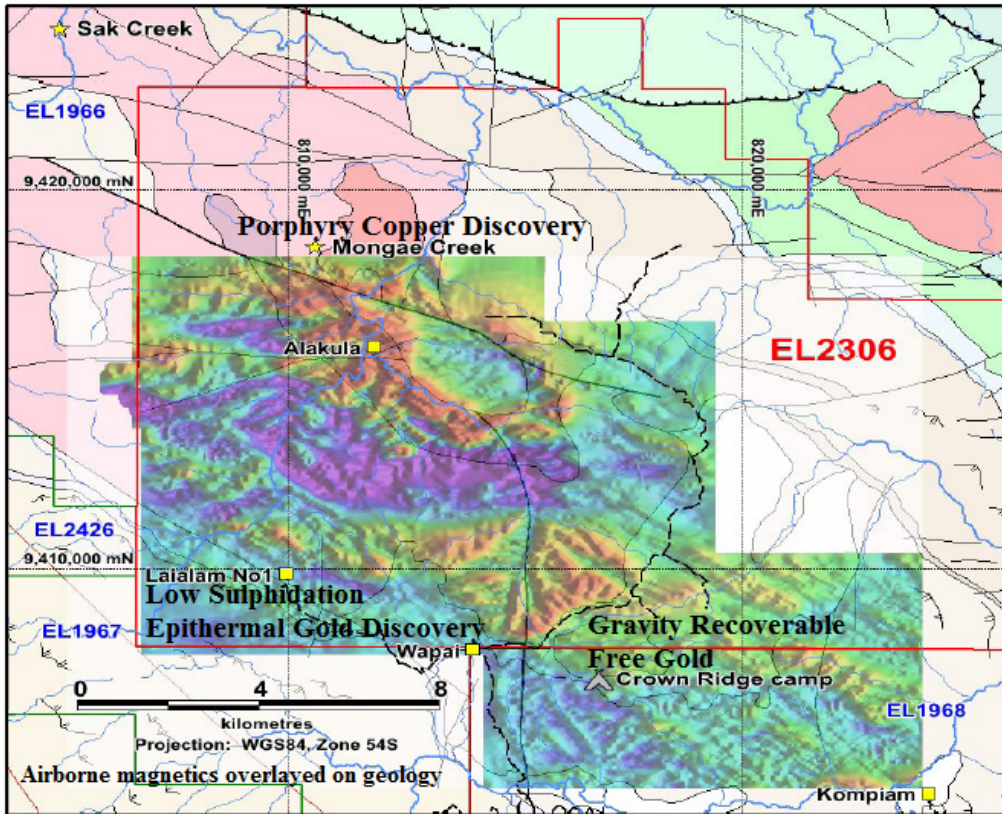


Figure 2: Expanded exploration program to aggressively investigate other potential mineral systems including at Lailam and Mongae Creek

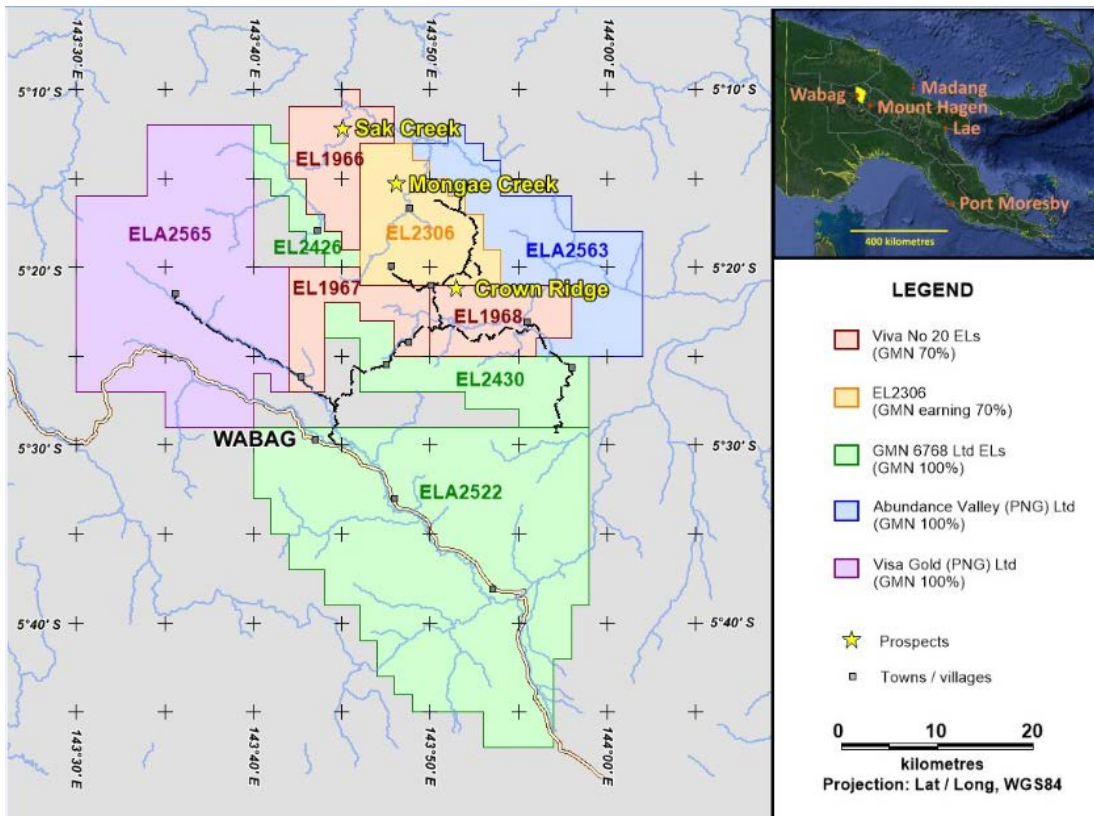


Figure 3: Exploration Licences cover substantial areas within the fertile Gold-Copper endowed Papuan Mobile Belt that includes World Class mines

**Competent Person's Statement**

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 (MAusIMM). 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.

Forward Looking Statements

All statements other than statements of historical fact used in this announcement, including, without limitation, statements regarding future plans and objectives of Gold Mountain Limited are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Gold Mountain Ltd that could cause Gold Mountain Limited's actual results to differ materially from the results expressed or anticipated in these statements.

Gold Mountain Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Gold Mountain Ltd does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements. Exploration Licence 1968 is fully permitted fully by the PNG Government, subject to meeting the conditions of the licence.



The company invites you 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.