

**ASX RELEASE****14 August 2018**

COMMISSIONING OF LARGE-CAPACITY CONGLOMERATE GOLD-PLATINUM PROCESSING PLANT

HIGHLIGHTS:

- ✓ **Finalisation of assembly and commissioning of large-capacity mobile plant for processing of coarse-gold and platinum bulk samples**
- ✓ **Plant to improve processing speed of infill and extensional pitting samples that form the basis for the Mineral Resource estimation (in progress)**
- ✓ **In addition to gold and platinum, plant will recover heavy black sands to test titanium, vanadium and chrome concentrations**
- ✓ **The plant also has capacity to aid with reconciliation and validation of the expected Mineral Resource estimate by trial mining parts of the Resource.**

Gold Mountain Limited (ASX: GMN) (“Gold Mountain” or “the Company”) is pleased to announce the finalisation of the on-site (Crown Ridge) assembly of the purpose-built, mobile, large-capacity plant to process bulk samples from a coarse gold-platinum, and heavy-mineral-bearing unit (see Figure 1). Gravity-gold-recovery consultant Ken Wilson is supervising the commissioning of the plant to maximise precious metal recovery. The plant was engineered and fabricated in Australia to specifically process the material consistency and gold-platinum particle ranges occurring at Crown Ridge.

The commencement of the processing of infill and extension 1x1m pit samples will be a significant development as it will remove a significant bottleneck in the definition of the Mineral Resource estimate. The plant will improve bulk sample processing speeds and will aid with reconciliation and validation (by trial mining) of the expected Mineral Resource estimate.



The plant also has a circuit specifically designed to maximise recovery of heavy black sands, that will allow for meaningful analyses for titanium, vanadium and chrome concentrations. This will enable to company to determine the mineralogy of this potential co-product and have it evaluated by potential offtake buyers.

The mobile bulk-processing plant consists of a conveyor, delivering unconsolidated gold-platinum bearing material to a hopper that feeds a wet scrubber. The scrubber disaggregates the material through tumbling, agitation and water blasts. The liberated precious metals are discharged to a trommel that screens out two particle sizes, which are in turn delivered to two different types of centrifugal concentrators (Knelson Concentrator and Knudson Bowl). The spinning bowls collect the gold and platinum whilst discharging the black sands to a pulsating jig.



Figure 1: Gravity-gold-recovery consultant Ken Wilson standing beside pulsating jig, with trommel, Knelson and Knudson bowl in background



Managing Director Tony Teng stated *“This is a pivotal time for Gold Mountain, with a great boost to the near-surface Mineral Resource estimate process at Crown Ridge, concurrent with diamond drilling of the Mongai Creek Porphyry Copper-Gold System. I am looking forward to delivering shareholders continuous positive news flow.”*

Exploration Director Doug Smith stated *“I have been with this purpose-built, mobile bulk processing plant from design concept to construction. My team has successfully overcome considerable climatic, terrain and road condition issues to have the plant commissioned on-site. I am looking forward to seeing the gold and platinum recovered from these large bulk samples ahead of the potential trial mining.”*

About Gold Mountain

Gold Mountain Limited is an Australian-based minerals exploration and development company which is listed on the Australian Securities Exchange (ASX Code: GMN). Gold Mountain's principal exploration project is in Papua New Guinea, where the Company is exploring and developing a number of highly promising mineralised zones (Figure 3).

Gold Mountain holds substantial areas within the fertile Gold-Copper endowed Papuan Mobile Belt that includes world-class mines (Figures 2 & 4). The majority of the areas within the Exploration Licences (ELs) have never been explored using modern technology. Multiple targets have been identified over the licence area of nearly 2,000 km². Early success indicates significant scale of potential discoveries within the ELs:

- the Flagship Crown Ridge project, with final-stage assessment of potentially high cash-flow free gold and platinum in conglomerate;
- discovery of large porphyry system at Mongai Creek; and
- newly discovered (refer to ASX announcement 5 March 2018) mineralised floaters from a low-sulphidation epithermal gold system at Lialam.

Large areas remain to be assessed.



Figure 2: Location of the Wabag Project relative to major world class gold mines in Papua New Guinea

World Class Mineral Deposits to the West of the Mongai Creek Porphyry Cu-Au Project include:

- **Ok Tedi:** 17Moz Au, 3.8Mt Cu
- **Porgera:** 24Moz Au, Porphyry & Low Sulphidation Epithermal Gold System
- **Frieda River:** 17Moz Au Moz Au, 12.9Mt Cu

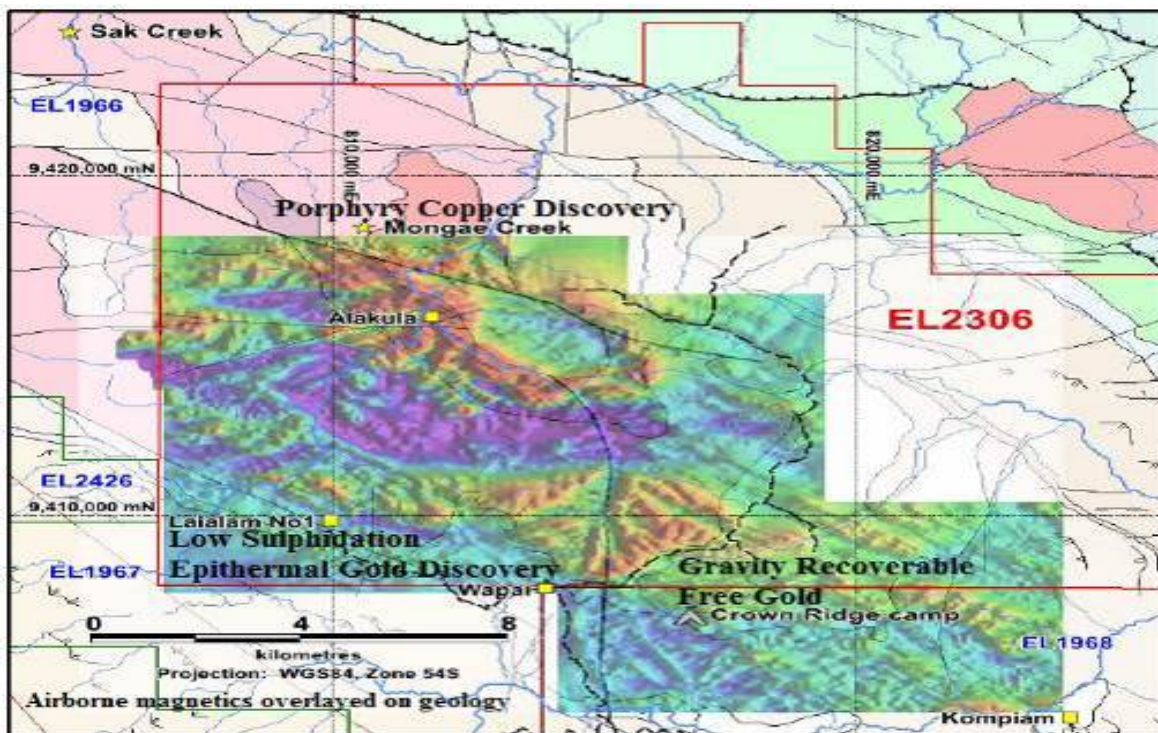


Figure 3: Expanded exploration program to aggressively investigate other potential mineral systems including at Lailam and Mongai Creek

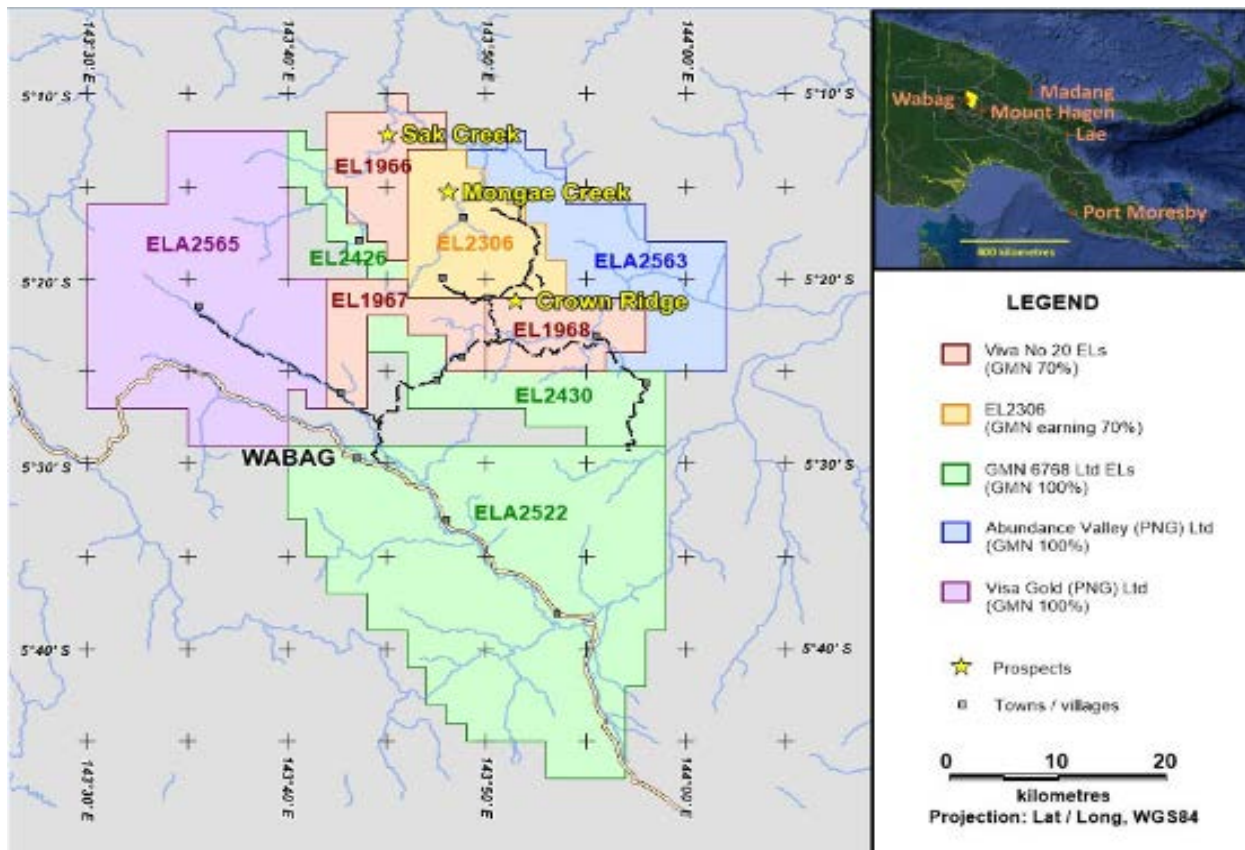


Figure 4: Exploration Licences cover substantial areas within the fertile Gold-Copper endowed Papuan Mobile Belt that includes world class mines



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 Limited that could cause Gold Mountain Limited's actual results to differ materially from the results expressed or anticipated in these statements.

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