

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31th March 2019

Gold Mountain Limited, (ASX: GMN) advises its activities during the January - March 2019 quarter (FY2019 Q3).

HIGHLIGHTS

- **Step-out soil sampling at Mongae Creek identified high-grade extensions of the copper in soil anomalism to the north-west of the prospect area**
- **The north-west corner of Mongae Creek soil grid returned five samples over 0.1% Cu with one sample recording 0.39% Cu in soil, the soil grid will be extended in Q4**
- **Mapping at Sak Creek has identified an alteration halo characteristic of a porphyry system – with resultant assays from rock chip sampling further supporting the exploration model**
- **Rock chip sampling in the central part of the Sak Creek prospect have returned rock chips to 23 g/t Au with a further 12 samples assaying over 5 g/t Au**
- **A Soil-sampling program was completed at Sak Creek, with the first batch of samples showing a distinct NW – SE striking feature similar to that observed in the Mongae Creek data**
- **Geological mapping and rock-chip sampling at Sak Creek in Q3 has identified mineralisation south of the main target area with rock-chip values to 4.24 g/t Au**
- **A geological reconnaissance programme at the Laialam prospect completed in early February return rock chip results up to 7.60 g/t Au**

The locations of all prospects discussed in this report are presented in Figure 1.

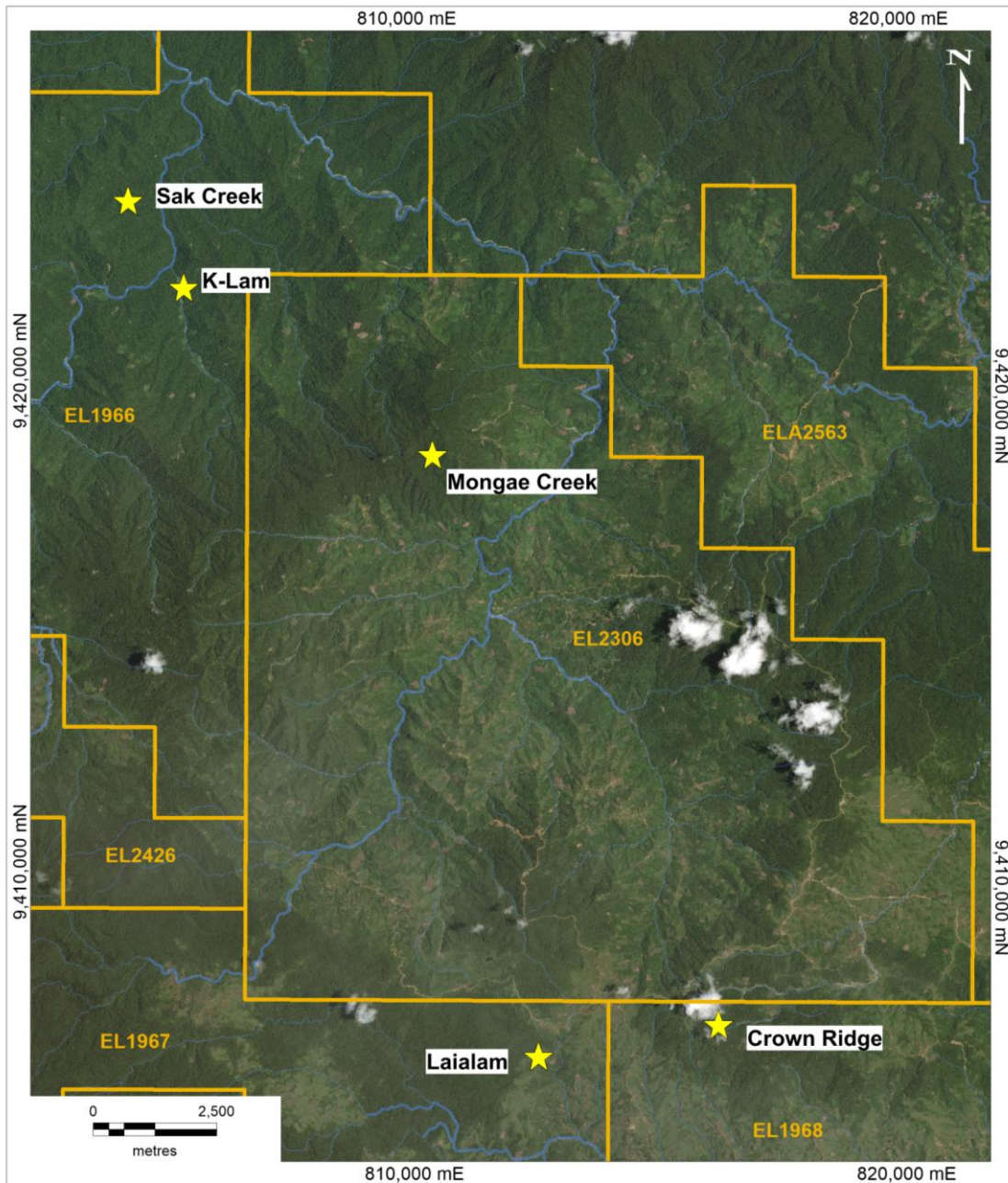


Figure 1: Prospect Location Map.

Mongae Creek

An infill and step-out soil auger programme completed at Mongae Creek in February 2019 further defined and enhanced the area of copper anomalism reported in Q2. The soil programme extended the existing soil grid to the north-west along strike of the initial anomaly.

The soil programme confirmed and better defined the Cu-in-soil anomaly and identified strike extensions to the main anomaly for a further 300 m to the north-west (Figure 2). In the infill programme, 14 soil samples returned Cu values greater than 0.1%, with the highest recorded value coming from the north-west corner of the grid with one soil sample grading 0.39% Cu¹.

¹ Exploration Results reported in ASX release of 5th February 2019: 'Gold Mountain Exploration Continues to Show High Potential at Key Prospects' are available to the public at <https://www.goldmountainltd.com.au/investors/announcements/> Competent Person: Mr Douglas Smith

The Cu anomaly is still open to the north-west and it is planned to expand the soil grid an additional 500 m in that direction to close it off, or to further extend the Mongae Creek anomaly. This work is planned for FY2019 Q4.

Limited rock-chip sampling was undertaken during the infill soil sampling programme with a total of 12 samples collected. The rock samples were collected from outcrops within the area covered by the soil grid. All the rocks sampled were from altered and mineralised tonalite which contained pyrite ± chalcopyrite ± molybdenum. The rock-chip samples assayed to 0.49% Cu, 0.1% Mo and 0.30 g/t Au. A summary of the results is included as Table 1 and a complete list of results for the rock chip samples and their locations can be found in ASX released dated 21st March 2019².

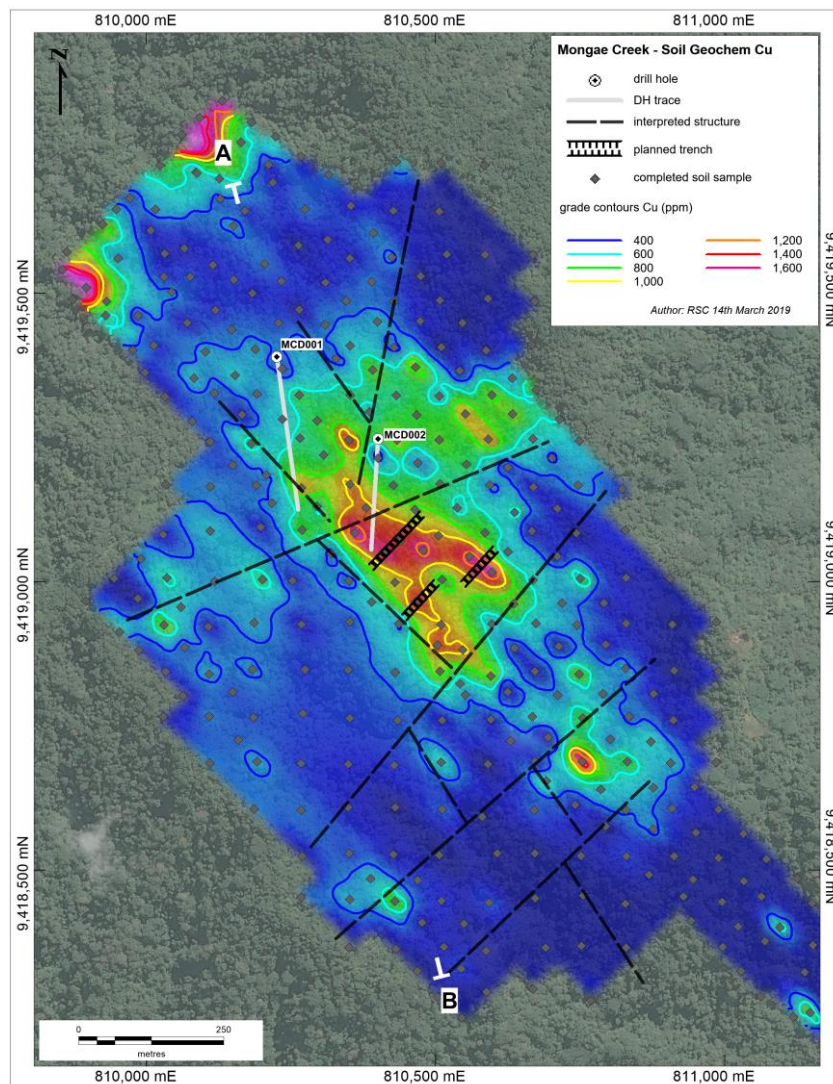


Figure 2: Mongae Creek soil geochemistry (Cu ppm)

² Exploration Results reported in ASX release of 21st March 2019: 'Key Prospects Continue to Show Excellent Exploration Results: On Track for Drilling Later in 2019' are available to the public at <https://www.goldmountainltd.com.au/investors/announcements/Competent Person: Mr Douglas Smith>

**Table 1: Results of rock chip sample results. Refer to Figure 2 for location details.**

Sample_ ID	Sample_ Type	Prospect	Lithology	Au (ppm) FA_AAS	Cu (ppm) ME_MS61	Mo (ppm) ME_MS61	Ag (ppm) ME_MS61
MCRX01	o/c*	Mongae Ck	Qtz-pyrite veins in a phyllic altered tonalite	0.01	848	1,065	0.39
MCRX03	o/c	Mongae Ck	Intensely oxidised/gossanous vein in tonalite	0.13	203	24	1.12
MCRX04	o/c	Mongae Ck	Sheeted Qtz-pyrite veining in alt. tonalite	0.02	2,400	59	0.90
MCRX05	o/c	Mongae Ck	Outcropping Gossan	0.30	190	49	0.21
MCRX07	o/c	Mongae Ck	50 cm wide shear zone, pervasive pyrite-sericite alteration	0.13	544	12	0.71
MCRX08	o/c	Mongae Ck	Pyrite-filled fractures in altered tonalite	0.12	4,930	302	1.14
MCRX09	o/c	Mongae Ck	50 cm long zone of massive pyrite alteration in tonalite	0.02	2,800	108	1.58

*Outcrop (o/c)

Sak Creek

After the completion of a successful geological reconnaissance programme in December 2018, GMN geologist have completed additional further stream sediment, rock chip and soil sampling programmes in Q3.

Soil Sampling

An extensive soil sampling programme has been completed at Sak Creek with the aim of identifying and delineating drill targets. Results from approximately one third of the soil samples have been received to date, with results for the remaining two thirds of the samples expected to be released in FY2019 Q4.

Preliminary results from the soil data reveal a NW-SW trend in the geochemistry (Figure 3). The trend is most prominent in the Pb and Zn geochemistry, which both show highly anomalous results. This trend is similar to the one identified at Mongae Creek and, importantly, further supports the large-scale interpretation of a NW-SE structural corridor controlling the mineralisation in the area covered by the Wabag project area.

Rock-chip Sampling

In February and March 2019, additional rock-chip samples was taken in Sak Creek Rock chip samples collected from a ferruginous structure exposed in a landslide area in a northern tributary to Sak Creek returned values between 10.6 g/t Au to 23.3 g/t Au, with several other samples returning grades of greater than 1.0 g/t Au.

At the southern end of the Sak Creek prospect, numerous angular clasts of highly mineralised float samples were discovered since the Company's last announcement to the market. The samples have the are highly mineralised, containing pyrrhotite, chalcopyrite and sphalerite. These samples were



assayed and returned values of up to 4.24 g/t Au. A summary of the rock chip samples at Sak Creek are presented in Table 2 and included in ASX release dated 21st March 2019³.

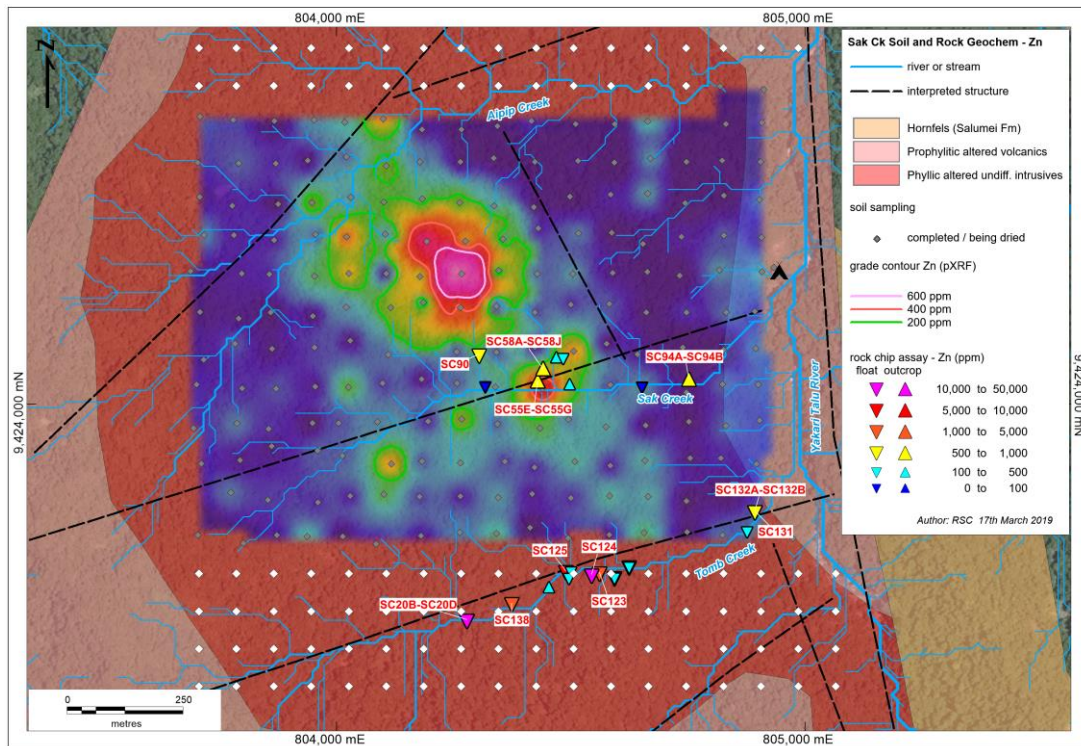


Figure 3: Sak Creek pXRF Zn (top) and Pb (bottom) sol anomalies with Zn (top) and Au (bottom) rock chip assays.

Sample ID	Sample Type	Prospect Creek	Lithology	Au (ppm) FA_AAS	Ag (ppm) ME_MS6 1	Cu (ppm) ME_MS6 1	S (%) ME_MS6 1	Zn (ppm) ME_MS6 1
SC55I	o/c	Sak Ck	40 cm wide gossanous material from 40 cm wide shear zone	20.3	12.95	2,500	0.81	612
SC58B	o/c	Sak Ck	Gossanous – material in second shear zone 8 m upstream of 55I	23.3	9.5	1,190	0.09	390
SC20C	Float	Tomb CK	Massive sulphide float – py veins and cpy	0.63	25.1	2,480	>10%	2,980
SC124	Float	Tomb Ck	Qtz- silica flooded breccia	0.81	7.2	516	>10%	2.0%
SC132B	Float	Tomb Ck	Massive sulphide float – py veins and cpy	4.24	42.1	3,070	>10%	770
SC135	Float	Tomb Ck	Quartz breccia – massive pyrite, pyrrhotite, minor cpy	1.59	7.14	1,100	>10%	304
SC136	Float	Tomb Ck	Massive sulphide float – py veins and cpy	1.66	13.35	3,190	>10%	401

Table 2: Sak Creek rock chip samples assay results.

³ Exploration Results reported in ASX release of 21st March 2019: 'Key Prospects Continue to Show Excellent Exploration Results: On Track for Drilling Later in 2019' are available to the public at <https://www.goldmountainltd.com.au/investors/announcements/> Competent Person: Mr Douglas Smith



A 10.6 g/t Au sample was collected from a gossanous shear zone (Figure 4), recently exposed by a landslip. The shear zone was observed in one of the tributaries of Sak Creek and is hosted within an altered diorite / tonalite similar to that intersected in holes MCD001 and 002 at Mongae Creek ⁴.



Figure 4: Outcropping mineralised shear at Sak Creek.

From the numerous float samples observed in the tributaries, this appears to be one of several mineralised shear zones cross cutting the altered diorite. Further mapping of the area is required, and a soil sampling program will commence in mid-February to determine the orientation of any structures and assist in drill hole targeting.

K-Lam

A GMN field crew completed a follow-up geological reconnaissance program in the K-Lam area in December 2018. Four days were spent at the prospect following-up from the samples collected at K-Lam in November 2018. An additional 17 samples were collected from the prospect area⁵. The sampling continues to highlight the prospectivity of the K-Lam area and a more detailed mapping and sampling program is planned.

Laialam Prospect

In addition to the Mongae, Sak Creek, K-Lam and Crown Ridge prospects, GMN geologists have now carried out reconnaissance exploration at the Laialam prospect. The Laialam Prospect is located approximately 7.6 km west of Crown Ridge. The area was selected for a geological reconnaissance programme as it hosts a substantial amount of artisanal alluvial Au mining activity.

⁴ Exploration Results reported in ASX release of 15 November 2018: "STRONG COPPER AND POLYMETALLIC MINERALISATION IN PORPHYRY VEINS IN MCD002" are available to the public at <https://www.goldmountainltd.com.au/investors/announcements/>. Competent Person: Mr. Doug Smith.

⁵ Exploration Results reported in ASX release of 21st March 2019: 'Key Prospects Continue to Show Excellent Exploration Results: On Track for Drilling Later in 2019' are available to the public at <https://www.goldmountainltd.com.au/investors/announcements/>. Competent Person: Mr Douglas Smith



Float samples showing epithermal quartz-sulphide mineralisation were discovered in all drainages, with samples assaying up to 3.16 g/t Au⁶ Anomalous Cu was also recorded from these float samples, with up to 0.13% Cu and elevated Zn to 646 ppm

HEALTH, SAFETY AND COMMUNITY ENGAGEMENT

Gold Mountain actively promotes strong health and safety policies and is committed to maintaining a safe and engaged workplace. The Company maintains an open dialogue with surrounding tribes and is providing community support by building and maintaining infrastructure, installation of a first aid post, and providing emergency relief. The labour force is sourced from the local community.

REPORTING IN COMPLIANCE WITH ASX LISTING RULES AND IN ACCORDANCE WITH THE JORC CODE (2012)

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Where the Company has re-issued information in this quarterly report that has previously been issued with the written consent of the Competent Person, it has made reference to the original report name, the name of the Competent Person responsible for the original report, and the date and reference of the location of the original source public report for public access.

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⁶ First reported in ASX Announcement of 21st March 2019: 'Key Prospects Continue to Show Excellent Exploration Results: On Track for Drilling Later in 2019' Competent Person: Mr Douglas Smith