

**ASX RELEASE**

4 September 2019

Issue of Securities

Gold Mountain Limited (“**GMN**” or “**Company**”) advises that 30,000,000 new fully paid ordinary shares (“**Shares**”) in the Company are issued for the placement of shares (“**Placement Shares**”) at a price of \$0.06 per share.

The sum of \$1,800,000 raised represents part of the proposed share placement as announced to the market on 31 July 2019. The Shares are issued within the Company’s existing placement capacity under ASX Listing Rule 7.1A.

The Placement Shares has accompanying entitlement of unlisted options for every two (2) Shares issued, of one (1) share option exercisable at \$0.10 within 12 months and another one (1) share option exercisable at \$0.15 within 24 months respectively from date of issue (“**Placement Options**”). These Placement Options shall provide the Company additional capital funding of \$3,750,000 pace over the next 24 months. The Company expects to issue the Placement Options after the coming 2019 Annual General Meeting.

In addition, the Company acknowledged the participation of an entity related to managing director, Mr Sin Pyng (Tony) Teng in the placement for the amount of \$500,000.00. As announced on 31 July 2019, the issue of Shares and Placement Options to this entity will be subject to the approval of the Company’s shareholders under ASX Listing Rule 10.11. The Company expects to seek approval from shareholders at its next annual general meeting.

All funds raised are to be used for the purposes of meeting general working capital requirements and supporting its next stage planned exploration programs of the Wabag Project located in Papua New Guinea.

Additional Information Required Under ASX Listing Rule 3.10.5A

The 30,000,000 Shares disclosed above are issued under Rule 7.1A. The Company provides the following additional information as required under ASX Listing Rule 3.10.5A.

Details of issue under 10% placement shares Listing Rule 7.1A

a) The dilutive effect¹ of the Placement on existing shareholders is as follows:

Number of shares on issue prior to the Placement: 571,449,859

Placement issue under Listing Rule 7.1A (30,000,000 Shares)	4.99%
Placement issue under Listing Rule 7.1 (nil Shares)	0 %
Total dilution as a result of Placement	4.99%

¹ Dilutive effect of placement does not include dilution arising from exercise of share options.

- b) The Company considered the Placement as the most efficient and expedient method for raising the funds at the time.
- c) The Placement was not underwritten.
- d) The Company will pay 6% underwriting fee on the total funds raised.

A completed Appendix 3B reflecting the changes in capital structure is attached.

For further information, contact

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