(ASX:GMN)

ASX RELEASE

21 November 2019

MONOYAL CREEK– DRILLING UPDATE (CLARIFIED)

Gold Mountain Limited (ASX: GMN) wishes to clarify an announcement made on 14 November regarding an update on the drilling at the Monoyal Prospect. In line with the JORC Code (2012) and additional guidance on the reporting of visible mineralisation in the absence of assay results, the following required information has been added to the below original announcement for clarity and transparency:

- JORC Table 1, Sections 1 & 2
- Competent Person Statement
- Information on the nature of the visible mineralisation intersected in the drilling.

MONOYAL CREEK– DRILLING UPDATE

Gold Mountain Limited (ASX: GMN) is pleased to announce the completion of the first hole drilled at the Monoyal copper – porphyry prospect, which is one of the many projects which comprise the Company's flagship Wabag Project in PNG.

MCD003 is the first hole drilled into the Monoyal Prospect which is targeted at an area of anomalous copper geochemistry. The Monoyal Prospect is located approximately 1 km NW of Mongae Creek where 2 diamond holes (MCD001 and 002) were drilled by GMN in 2018[1].

MCD003 is part of our initial nine-hole diamond drilling programme which has been designed to test highly anomalous copper geochemistry identified in a grid-based soil sampling programme which was further confirmed by trench sampling[2].

MCD003 was completed to a depth of 500.50 m (planned depth 450m), the hole was planned utilising data from structural interpretation of airborne magnetic surveys, topographic analysis, ground

[1] First reported in ASX Announcement of 30th November 2018: 'Significant Copper Drill Intercept MCD002 Mongae Creek'. Competent Person: Mr Douglas Smith

[2] First reported in ASX Announcement of 8th July 2019: 'Trench Results at Mongae Provide Strong Case to Drill High-Quality Porphyry Targets' Competent Person: Mr Douglas Smith

geological mapping, and principal component analysis of soil geochemistry. The hole was also designed to test down dip of Trench 4 which recorded an intercept of 154 m @ 0.19% Cu[3].

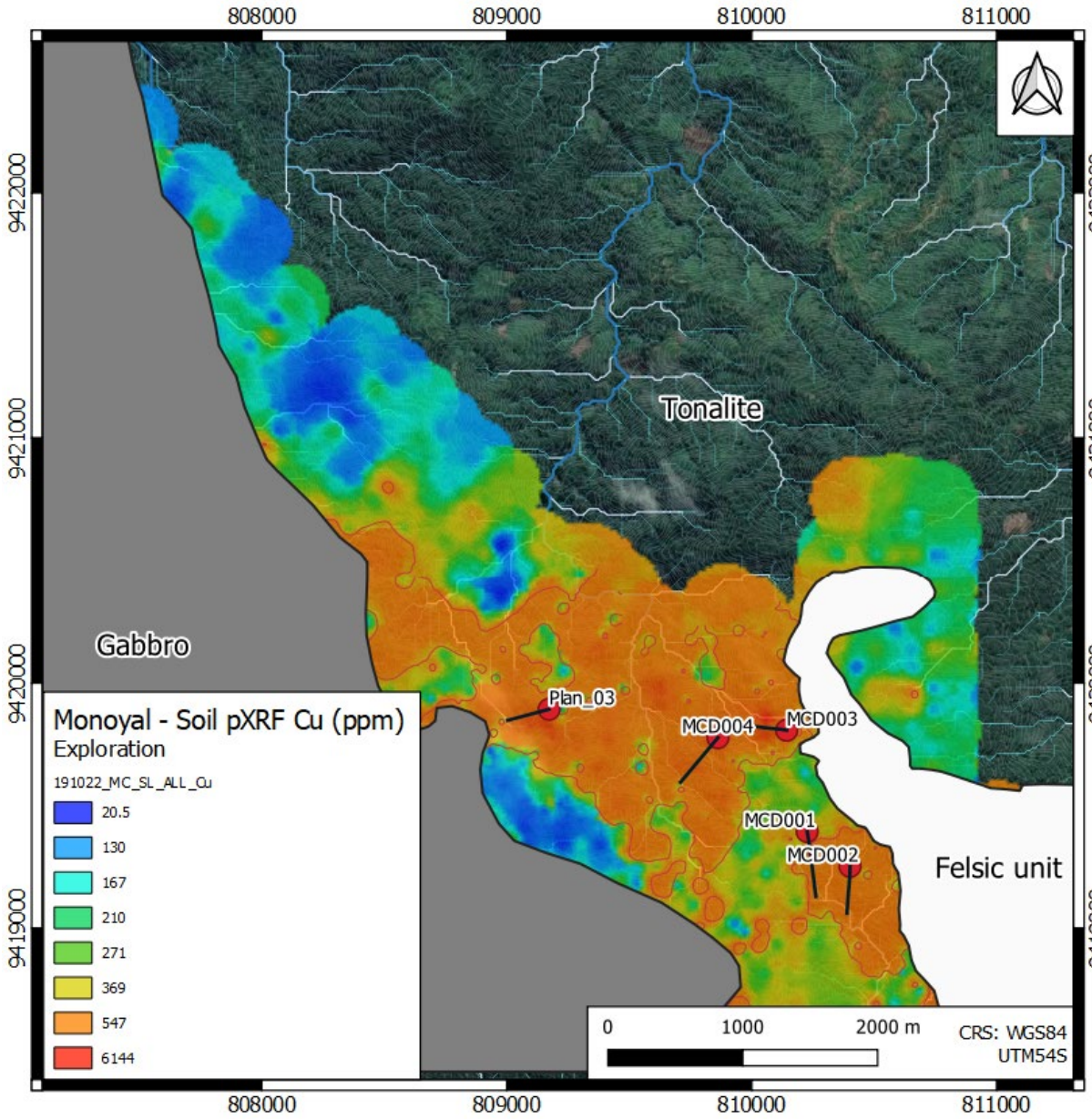

Figure 1. Targeted Drilling Programme – Monoyal Prospect

MCD003 intersected an interval (64.40–500.50m) of strongly fractured tonalite, with sulphide mineralisation (predominantly pyrite and chalcopyrite) occurring on fracture surfaces, in micro-veinlets and sometimes weakly disseminated in the tonalite. Fracture fill and veinlets are generally between 1–3 mm in width, sometimes up to 1 cm, and average at around 10 fractures and veins per metre. Chalcopyrite, molybdenite and minor bornite were observed in many of the fractures (Figure 2). Average

[3] First reported in ASX Announcement of 8th July 2019: 'Trench Results at Mongae Provide Strong Case to Drill High-Quality Porphyry Targets' Competent Person: Mr Douglas Smith

concentrations of sulphide minerals per metre are difficult to estimate but expected to be in the order of less than 1% on average.

In compliance with the JORC Code (2012), GMN cautions investors and notes that visual estimates of sulphide mineral abundance should not be considered a proxy or substitute for laboratory analyses.

MCD003 was logged and sampled concurrently with the drilling, and to date 244m of core has been dispatched to ALS in Townsville for assay. The first 85 samples arrived in Townsville on the 12th of November and results are expected back for this sample batch in late November – early December, with further results expected to be received at regular intervals after that.

The new CEO of Gold Mountain Ltd, Mr Tim Cameron, said: "*Gold Mountain Ltd is very pleased with the progress of the current drilling campaign and we are encouraged with the mineralisation we have observed in MCD003. This certainly is an exciting time to join the company and I am looking forward to seeing the drilling and core close up when I visit site later this month".*

Figure 2. Fracture-controlled sulphide-mineralisation on fracture surfaces in MCD003. From left to right; 30% precipitated sulphides at 271.20m depth, 45% sulphides at 243.20m depth and 55% finely disseminated sulphides at 399.80m depth.

Hole MCD003 was completed on the 8th of November, the rig has been moved to MCD004, drilling commenced on the 12th of November and the hole is currently at a depth of 47.50m. MCD004 has a planned depth of 475m.

Figure 3. Drill Rig set up on MCD004

In addition to the existing nine-hole drilling programme, Figure 4, planning and designing of additional holes has commenced to cover a larger area at Monoyal to test the extensive copper in soil anomaly which has been identified there. Results from the current programme will be continuously analysed to assist in defining the final location for the planned holes.

GMN is also actively pursuing a regional exploration campaign along the highly prospective NW-SW structural corridor, extending from Mongae Creek to the Mt Wipi area (which is subject to an Exploration License Application).

Table 1. Mongae-Monoyal drill hole locations, maximum depth, azimuth and dip.

Hole ID	Planned ID	x	y	Z	Max Depth	Azimuth	Dip
MCD003	Plan_01	810141.5	9419803.0	1736.7	500.5	247	-70
MCD004	Plan_02	809861.0	9419773.0	1654.0	475	220	-60
	Plan_03	809172.0	9419889.0	1599.0	350	255	-60
	Plan_04	810141.5	9419803.0	1736.67	350	330	-60
	Plan_05	809868.0	9419646.0	1664.08	300	260	-60
	Plan_06	809417.8	9420146.0	1446.93	250	255	-60
	Plan_07	809526.3	9419876.0	1506.18	400	255	-60
	Plan_08	809762.9	9419972.0	1578.98	400	245	-60
	Plan_09	809901.3	9419808.0	1647.04	250	260	-60

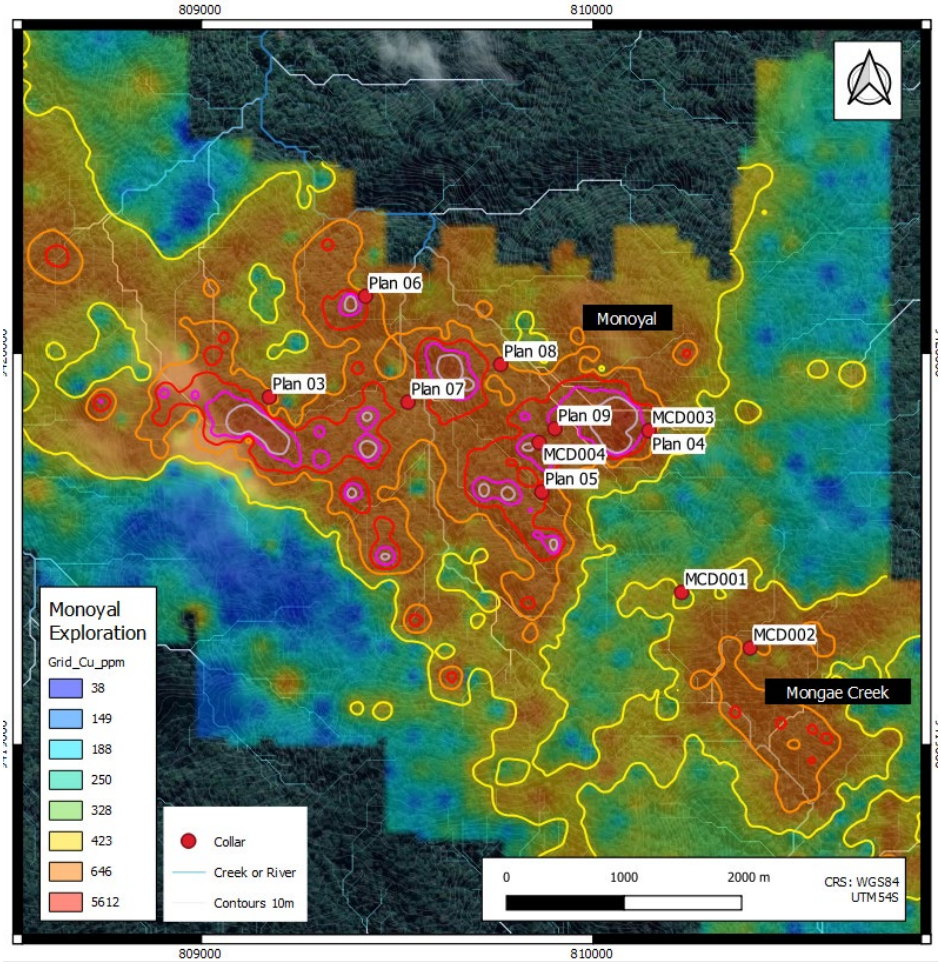

Figure 4. Planned Drilling – Monoyal Prospect – Targeting Extensive Cu in soil anomaly

For further information please visit the website www.goldmountainltd.com.au or contact:

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—END—

Reference to Previous Releases

Trenching and previous drilling results referred to in this announcement have been previously announced to the market in the reports dated 08 July 2019 and 30 November 2018 and are available to view and download from the company website www.goldmountainltd.com.au.

Gold Mountain Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. Gold Mountain Limited confirms that the form and context in which the Competent Person's (Mr Doug Smith) findings are presented here have not been materially modified from the original market announcements.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Patrick Smith, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy.

Patrick Smith is an external consultant to the Company. Mr Smith confirms there is no potential for a conflict of interest in acting as a Competent Person. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types*	• SOPs for all work were used to safeguard representivity of the sampling and drilling, which was carried out using best and standard practice.

	(eg submarine nodules) may warrant disclosure of detailed information	
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drill-holes are collared with PQ3 and reduced to HQ3 once through the oxidised profile.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond core recovery by measuring the length of core recovered compared to the length drill run. Drill recoveries were considered good between 64.00-500.50m of the drill runs > 88% recovery. • Care when drilling broken ground, dispensing with the core into the trays and working closely with the contractors to ensure sample recoveries remained consistent.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged*	• All drill-holes are geologically and geotechnically logged, and the data stored in a digital database. Information collected in logging is considered appropriate for future studies.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core samples cut in half by band-saw one half remained in-situ. • Industry standard sample preparation techniques undertaken at ALS in Townsville (Australia). • SOPs for all work were used to safeguard representivity of the sampling and drilling, which was carried out using best and standard practice. • QC procedures - No duplicate samples collected in the field. • Sample sizes are appropriate for the type of material being sampled to ensure good representivity.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *• For geophysical tools, spectrometers,*	• Not applicable – No assays are reported yet.

	handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable – No assays are reported yet.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The drill hole sites were located using a hand-held Garmin GPS Map 64ST GPS Unit units (lateral accuracy <5 m). This is considered appropriate for this stage of exploration by the competent person. • Grid system used was WGS84, Zone 54S. • Good topographic control is available.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The drilling carried out is on specific targets. Therefore, no grid has been applied. • No compositing was applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Several mineralised orientations are recorded from surface mapping and sampling. The drilling has aimed to intersect the two main directions (SW-NE and E-W), which may lead to low angle intersections of mineralisation. • Core is orientated and structural orientations will be modelled to further understand the nature of the intercepts.
Sample security	• *The measures taken to ensure sample security.*	• Half-core samples packed into poly-weave sacks, sealed by cable ties and transported to TNT in Mt Hagan by senior personnel. TNT transported samples to ALS in Australia via air freight.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews undertaken.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Drilling undertaken on Exploration Licence 2306 in Enga Province, PNG. • EL2306 was granted to Khor Eng Hock & Sons (PNG) Limited (KEH) on 14 December 2015. Gold Mountain Limited (ASX:GMN) is the manager of the exploration programs under an agreement with KEH. • There are no impediments to conduct exploration programs on the tenements.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• All exploration programs conducted by Gold Mountain Limited. No previous exploration known in the area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• EL2306 and EL1966 contain potential for potential for porphyry copper-gold deposits, intrusive-related gold and epithermal gold deposits, structurally-controlled gold lode deposits and alluvial gold-platinum deposits

Drill hole Information	• *A summary of all information material to the understanding of the exploration results.*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• as per table in document

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade*	• No metal equivalents or grade intersections reported.

	results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No drilling assays or intercepts reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps showing sample locations and results included in the attached report. • Sections are not available yet as interpretations are still being generated, and will be finalised when assay results are available
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All exploration results are reported in a balanced manner. No assays or other relevant information to interpret the results are omitted.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All exploration results detailed in attached report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale stepout drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Drill program is ongoing. • Planned 9 drill holes and 5 Trenches of over 3km for end of 2019 and beginning of 2020.