ASX RELEASE

ASX:GMN

28th February 2020

RESULTS FROM MCD004 CONTINUE TO HIGHLIGHT THE POTENTIAL FOR PORPHYRY STYLE MINERALISATION AT THE MONOYAL PROSPECT

Highlights:

- Results from MCD004, the second diamond hole drilled at Monoyal continue to show the highly prospective nature of the Prospect;
- Assay results from MCD004 contain highly anomalous copper (to 0.45% Cu), gold (to 1.24 g/t Au) and molybdenum (to 0.28% Mo) mineralisation;
- The best intercept recorded is:

  124 m @ 0.12% Cu, 105 ppm Mo and 0.06 g/t Au[1], from 125 m, which includes a zone of
  - 12.4 m @ 0.19% Cu, 494 ppm Mo and 0.28 g/t Au[2] from 169.60m,
  - Within this 12.4 m zone is a narrower high-grade interval which grades **8.4 m @ 0.23% Cu, 689 ppm Mo and 0.40 g/t Au**
- MCD005 has been completed and MCD006 is currently at a depth of approximately 270.10m with assay results anticipated in the 2nd quarter.

Gold Mountain Limited (ASX: GMN) is pleased to provide an update in relation to its ongoing targeted diamond drilling program at the Company's flagship Wabag Project (Figure 1). Assay results from MCD004 have now been received, with the hole intersecting a broad, 124 m zone of >1,000 ppm Cu

[1] Intercept calculated using a 700 ppm Cu cut-off grade (COG) with 3 m of internal dilution
[2] Intercept calculated using a 1,000 ppm Cu COG with 2 m of internal dilution

and >100 ppm Mo from a down-hole depth of 125 m. Contained within this intercept are narrower high-grade zones.

The mineralisation intersected in MCD004 is hosted in a fractured tonalite. The higher-grade mineralised zone (8.4 m @ 0.23 % Cu, 689 ppm Mo and 0.40 g/tAu) was associated with strong brecciation, veining and clay alteration of the tonalite (Figure 1).

Figure 1. MCD004 – Core trays which contain part of the 8.4m zone @ 0.40 g/t Au, 0.22% Cu and 689ppm Mo

As with MCD003, MCD004 is interpreted to be peripheral to a main zone of mineralisation. There is a definite metal zonation in the hole, which is signified by the fact that elevated Cu mineralisation occurs in the top 250 m of the hole. From 260 m to 450 m (EOH) the Cu values decrease; however, the Mo values are still relatively high, i.e. the bottom part of MCD004, from 261m to 450m (EOH) averages

393 ppm Cu, but has a higher Mo content than the top 250m of the hole, with the last 189m of MCD004 assaying 120 ppm Mo.

Drill results for MCD004 are summarised in Table 1 and a down-hole section of MCD004 showing the Cu and Mo values is presented in Figure 2. A drill hole location map is included as Figure 3.

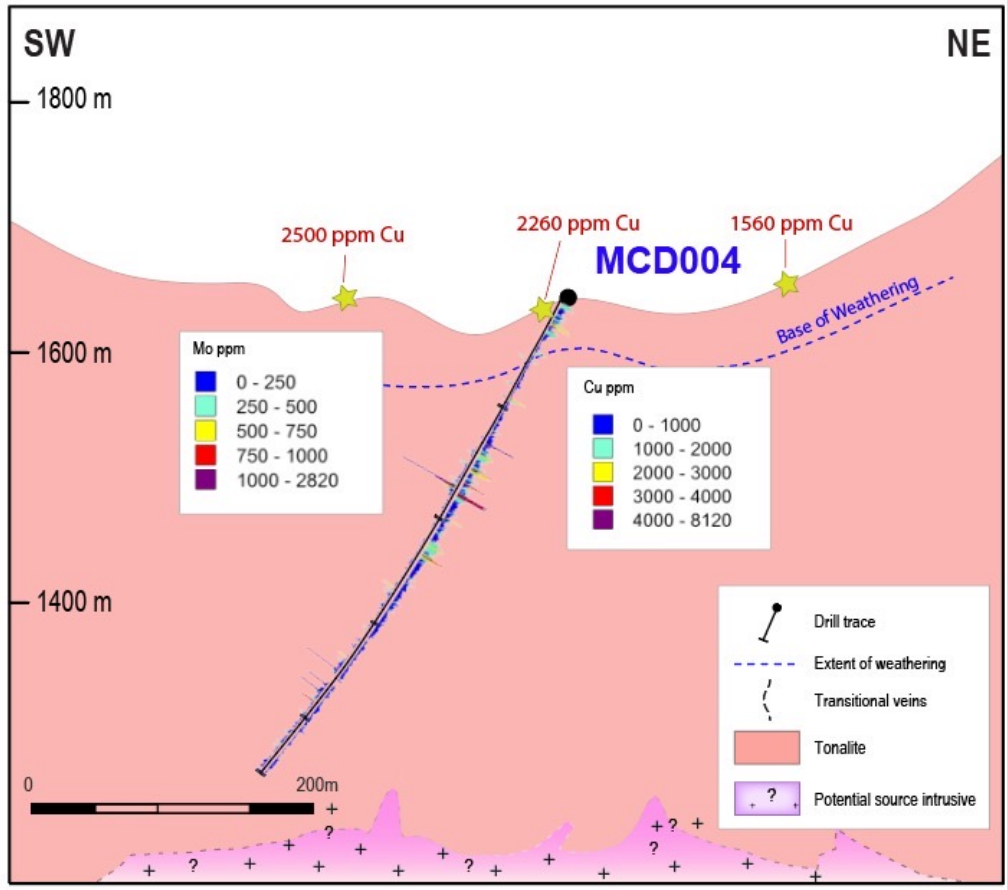

Figure 2. MCD004 drill section showing Mo and Cu grades (ppm)

A further analysis of the geochemical data from MCD004 by GMN's consultant geochemist indicates that:

The Au values in the mineralised intervals in MCD004 are approaching those that would typically be expected in a porphyry. In some parts of the system, the Mo is well-coupled with Cu, but the bottom of the hole has some relatively high Mo values without Cu. The Cu itself is significantly anomalous over long intervals, but still below the kind of grades that are seen in other porphyry deposits globally. With respect to alteration accompanying the Cu, Au and Mo; some fluid mobile elements are strongly enriched, where the high Au and Mo assays at ~173 m are present there is potassic alteration in the drill hole.

With data from only two drill holes at Monoyal to consider, it is difficult to map chemical gradients in the system to vector towards higher grade mineralisation. This will be easier once more holes have been drilled. However, based on the current data, GMN is drilling a significantly anomalous part of the system and are likely moving in the right direction to find the core of the system.

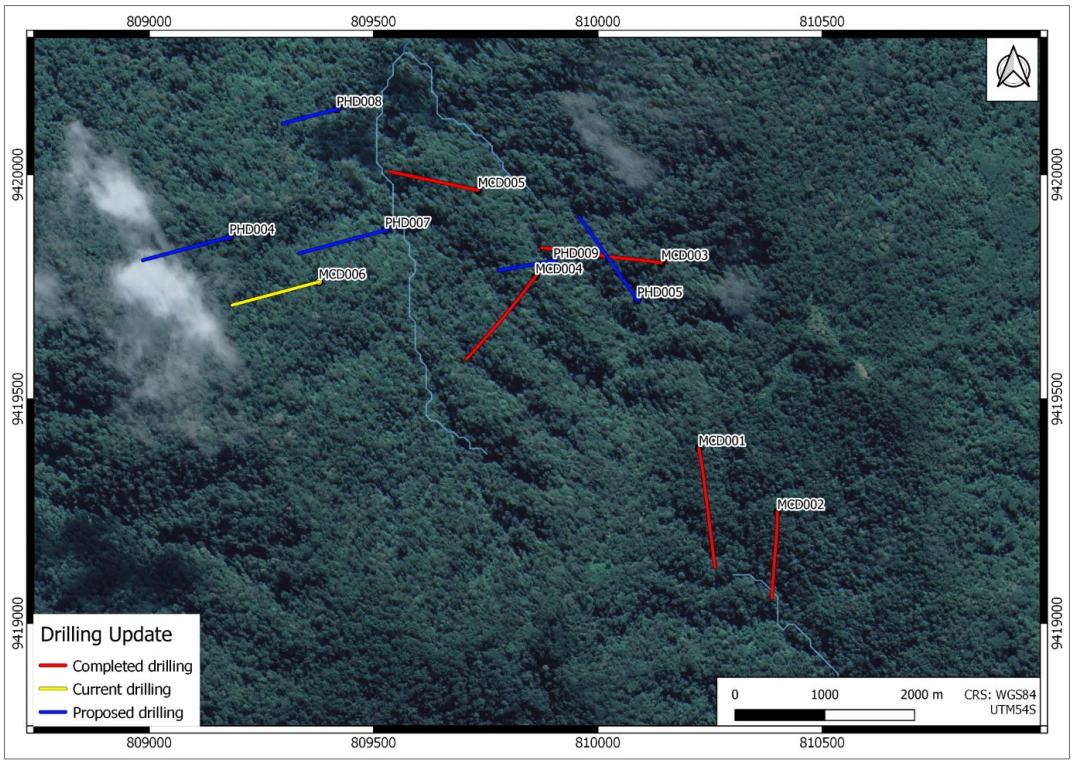

Figure 3. Mongae-Monoyal prospect, showing completed, current and proposed drill holes**.**

Table 1. Significant Intercepts - MCD004

From (m)	To (m)	Interval (m)	Cu (%)	Mo (ppm)	Au (g/t)	Ag (g/t)	S (%)	Zn (ppm)
1.50*	**30.00**	**28.50**	**0.12**	**6**	**0.05**	**0.56**	**0**	**70**
Inc:**								
1.50	6.00	4.50	0.14	5	0.03	0.31	0	73
11.00	22.00	11.00	0.14	9	0.09	0.75	0	85
26.00	30.00	4.00	0.14	4	0.03	0.64	0	51
125.00*	**249.00**	**124.00**	**0.120**	**105**	**0.06**	**0.97**	**1.49**	**122**
Inc:**								
136.00	157.00	21.00	0.14	92	0.03	0.58	1.68	149
161.00	167.00	6.00	0.16	159	0.04	0.99	1.66	924
169.60***	182.00	12.40	0.19	494	0.28	5.02	3.76	99
219.00	236.00	17.00	0.16	50	0.05	0.42	1.13	24

**Intercepts calculated using 700 ppm Cu COG with 3 m internal dilution.*
***Intercepts calculated using a 1,000 ppm Cu COG with 2 m internal dilution*
**** **This intercept includes,** **8.4 m @ 0.23% Cu, 689 ppm Mo and 0.40 g/t Au from 169.60 m***

Tim Cameron, the CEO of GMN said: "We have now received the results from the first two holes at Monoyal, and to say we are encouraged is an understatement. Both holes intersected broad zones of anomalous mineralisation, with MCD004 showing higher levels of both Au and Mo than were intersected in MCD003. We are further tantalised by the near-economic Cu, Au and Mo grades encountered in portions of MCD004. Using the geochemical data from these holes and the holes we are currently drilling we hope to be able to vector in to identify where the higher-grade, more-mineralised, core of the system is hiding. The Company is only getting started in exploring what it believes is a large porphyry system, and in its view, is a step closer to a significant discovery".

Exploration Update

The nine-hole targeted drilling programme at the Monoyal prospect remains the key focus for the Company, with three holes now completed (MCD003 - MCD005). Hole parameters and hole locations are presented in Table 2 and Figure 3.

It is expected that assay results for MCD005 will be available in late March or early April.

Drilling has commenced on MCD006, which is the fourth hole in the Monoyal programme, MCD006 is currently at a depth of 270.10 m. It is expected that this hole will be completed in the first week of March.

Table 2, Monoyal – Current and planned drill hole parameters

Proposed Hole ID	Easting	Northing	RL	Planned Depth (m)	Current Depth (m)	Dip	Azimuth
MCD003	810,142	9,419,803	1,737	450	500.50 EOH	-65	275
MDC004	809,861	9,419,773	1,654	475	450.20 EOH	-60	220
MCD005	809,733	9,419,965	1,574	400	372.20 EOH	-60	282
MCD006	809,179	9,419,861	1,609	400	270.10	-60	255
PHD007	810,088	9,419,721	1,717	400		-60	330
PHD008	809,378	9,419,761	1,630	400		-60	260
PHD009	809,526	9,419,876	1,506	400		-60	255
PHD010	809,418	9,420,146	1,447	250		-60	255
PHD011	809,901	9,419,808	1,647	250		-60	245
**coordinates in UTM (WGS 84) Zone 54S projection*							

Trenching is ongoing at Monoyal with trenches T8, T9 and T10 completed in 2020 for a total of 1,344 m. The trenches are being sampled at 1 m intervals and each sample is analysed by a portable X-ray fluorescence instrument. Data from the trenching programme is being combined with the soil geochemistry data and the drill data to assist in the targeting of additional drill holes. Trench locations are shown in Figure 4.

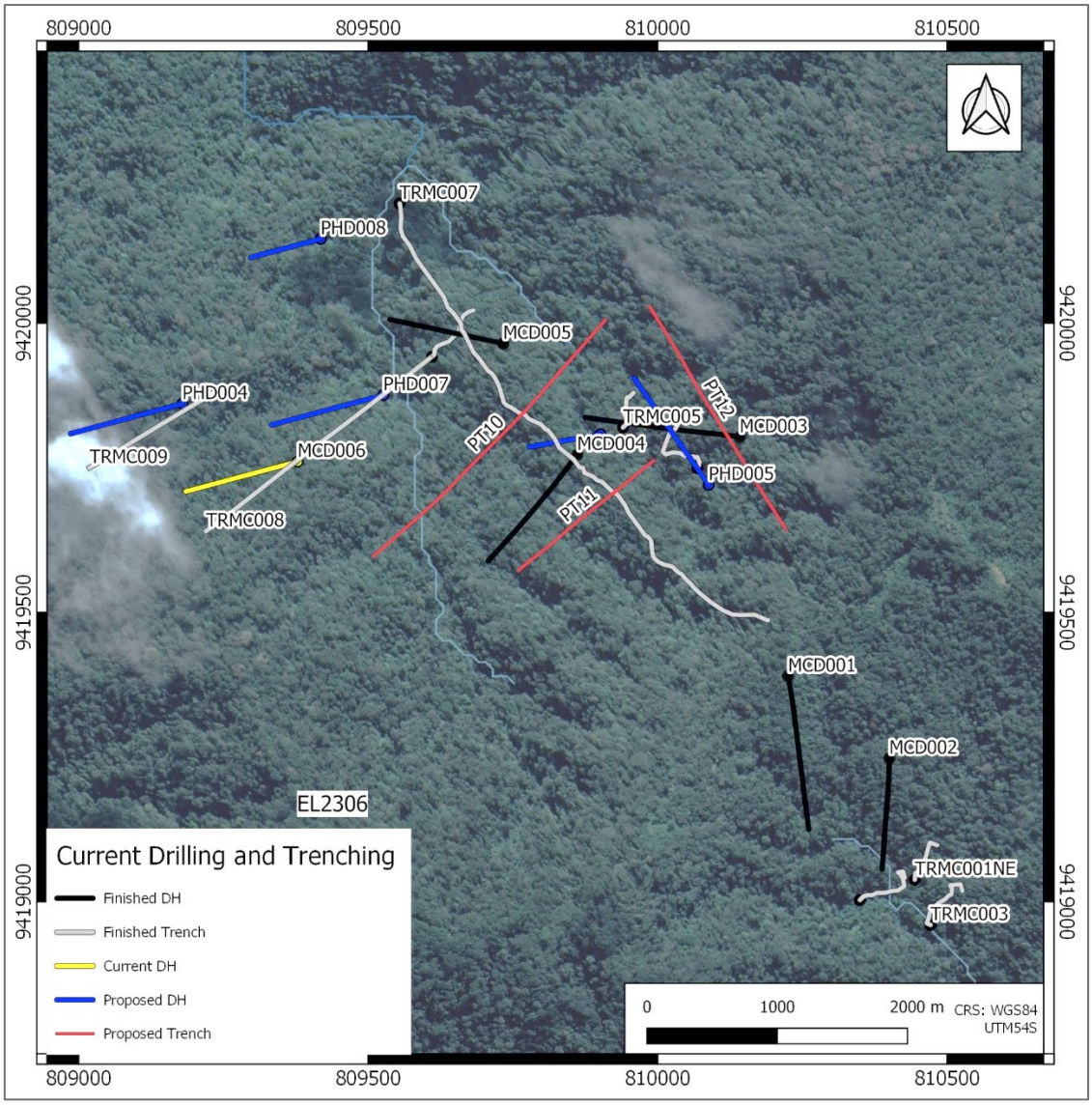

Figure 4. Monoyal prospect trench and drill hole locations**.**

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

Tim Cameron
Chief Executive Officer
+61 448 405 860

Tony Teng
Managing Director
+61 414 300 044

Follow Gold Mountain on Twitter:	**www.twitter.com/GoldMountainASX**
Follow Gold Mountain on LinkedIn:	**www.linkedin.com/company/goldmountain**
Follow Gold Mountain on YouTube:	**YouTube Channel**

—END—

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.

Appendix 1 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.* • *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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Drill core described in this announcement were taken from MCD004 which was drilled using a diamond drilling rig using a combination of PQ and HQ core • SOPs for all work were used to safeguard representivity of the sampling and drilling, which was carried out using best and standard practice. Various quality control (QC) measures were used to ensure the quality of diamond drilled samples collected, with recovery measured and recorded by the drillers on the rig and corroborated by the geologist when metre marked. • PQ half core and HQ half core was submitted for analysis. Sample intervals were based on lithology but in general were 1 m. • All samples placed in individually labelled plastic bags prior to being transported and dispatched to a laboratory.
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 drilling by QED using an Atlas Copco helicopter transportable drill rig running triple tube PQ / HQ equipment. Drilling was used to produce drill core with a diameter of 85 mm (PQ) or 63.5mm (HQ). • Diamond core was orientated downhole using a reflex core orientation device and alpha and beta angles recorded where the core was competent enough to collect readings • MCD004 was orientated at -60° towards azimuth 282° to a depth of 450.00 m (see collar table in body of the report).
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.*	• Recovery measured for each drill run as a ratio of recovered core per run length. Diamond core recoveries were logged and recorded in the database. Overall the recovery for MCD004 was plus 85%, with the majority of core loss in the top 100 m of the hole in the oxide zone • Triple tube drilling and sound SOPs ensured good core recovery. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller. • Relationship between recovery and grade cannot yet be established. However, this issue is not overly relevant to diamond drilling and is more problematic for RC drilling.
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.*	• All core samples were photographed and geologically logged. • Logging of sampling followed Company SOPs. Core was geologically and geotechnically logged including lithology, mineralogy, alteration, veining and weathering, structure and geotechnical parameters. Portable X-ray fluorescence (pXRF) analyses were also conducted on the core. The logging was

	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	done in detail to support any interpretations and comments in the release. • No pXRF results are reported, the pXRF was used to confirm the presence of certain elements in the core. • Drill core logging of lithologies, structures, alteration veining and mineralisation. • Drill core logging of lithologies, structures, alteration veining and mineralisation suitable to support MRE. • All core from MCD004 was logged and the entire hole was assayed.
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.*	• All samples were half-core. • Industry standard sample preparation techniques undertaken at ALS in Townsville (Australia). Entire samples pulverised before sub-sampling. • QC procedures - No duplicate samples collected in the field or company standards submitted. Laboratory standards used. • No second-half sampling of the diamond core has been conducted. • 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.* • *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.*	• Industry standard analytical methods undertaken by ALS, Townsville, Queensland. • Gold assays – 50 g fire assays (method Au-AA24). • Multi-element – 0.25 g sub-sample digested in 4-acid digest followed by ICP-MS determination (method ME-MS61). • QC by laboratory included check assays, duplicate sub-sampling, blanks and standards. QC results show acceptable accuracy and precision.
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.*	• All intercepts that are considered material have been reported in this press release. The main significant intercepts have been calculated using a 700 ppm Cu COG with a maximum of 3 m internal dilution. Further intersections have been calculated using a 1000 ppm Cu COG with a maximum internal dilution of 2 m. The significant intercepts reported match the geological interpretation of core by company geologists and an independent consultant. • No twinned holes were drilled. • All primary data recorded in field logs and notebooks, then transferred into a database. • No data has been adjusted.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine*	• Drill hole collar pegged before drilling and surveyed using a Garmin GPSMAP64ST hand-held GPS unit (lateral accuracy+/- 5 m). This is considered appropriate at this early stage of

	workings and other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	exploration by the competent person. • Grid system used is WGS84, Zone 54S. • Currently there is no DTM for the prospect, RLs are recorded using a hand held Garmin GPS unit, as the prospect develops a DTM for the area will be constructed
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.*	• Data spacing is sufficient for reconnaissance stage exploration sampling programs. • Data spacing for the diamond drill hole is not relevant for this reconnaissance stage of exploration. It will not be used for Resource Estimation purposes. • There has been no sample compositing
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.*	• The orientation of samples is not likely to bias the assay results and is not relevant given the scouting nature of the drill hole. • There is no apparent bias in the drill orientation used.
Sample security	• *The measures taken to ensure sample security.*	• Samples packed into polyweave 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.*	• Diamond 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. • EL2306 is currently under renewal application. • A Wardens hearing for the renewal of EL2306 was held in October 2019, there were no objections to the renewal at the hearing. • The tenement is in good standing and 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.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• EL2306 contains the potential for porphyry copper-gold deposits, intrusive-related gold and epithermal gold deposits,
Drill hole Information	• *A summary of all information material to the understanding of the exploration results* • *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.*	• Drilling by QED using an Atlas Copco helicopter transportable Drill Rig running triple tube PQ / HQ drill rods. • All drill holes were pegged as required using a Garmin hand-held GPS unit. The drill rig was positioned and oriented on the drill pad by the geologist using GPS and compass and declination was determined by a clinometer on the mast of the rig and aligned. • Collar co-ordinates, inclination, azimuth and depth presented in the body of this announcement. • Apart from results reported in the attached report, no other assay results are considered to be significant.
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 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.*	• All intercepts reported are from laboratory data, no pXRF data for the drill hole has been quoted. Weighted averaging of drill hole intercepts used where relevant. The COG and internal dilution values are provided. No top cut has been applied to any of the calculated intercepts. • No metal equivalents used.

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').*	• At this stage there is no indication of the true width of the intercepts; mineralisation is predominantly confided to fracture surfaces, with the fractures in the hole occurring at various orientations. The fracture orientation does not appear to have a bearing on the mineralisation.
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 prospect location, drill hole locations, grid soil samples, sections, and outcrop photos are included in the attached report.
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. All results are supported by clear and extensive diagrams and descriptions. No assays or other relevant information for interpreting the results 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 the attached report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out 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*	Additional drill holes are planned at the Monoyal Prospect. MCD004 is part of a nine-hole drilling programme currently underway. Results will be announced when they come to hand.