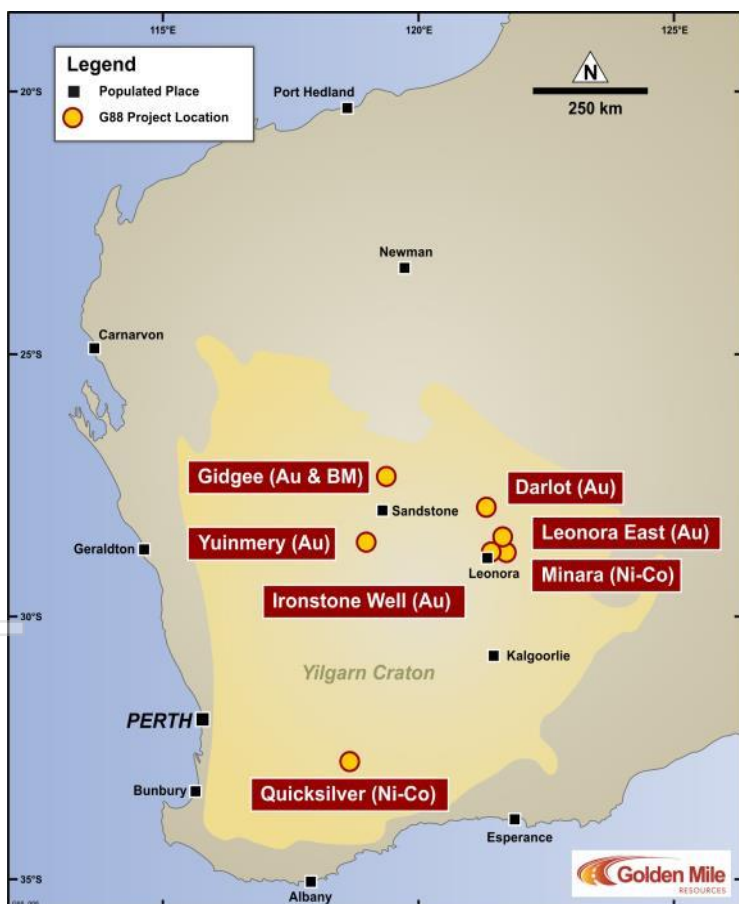


## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2020

### HIGHLIGHTS

- Aircore drilling program completed over Benalla Gold Trend testing the BGT 2 & BGT 4 prospects and partially testing BGT3.
- Second phase aircore drilling at Benalla testing BGT1 & BGT3 commenced late October 2020.
- Drilling Program of Work (POW) approved and commencement of aircore drilling at the Darlot Gold Project.
- Commencement of a soil program, optimised by a high resolution ground magnetics program at the Yuinmery Gold Project
- Share placement and Share Purchase Plan (SPP) completed to raise \$1,691,783 before costs through the issue of 33.84 million shares at A\$0.05 per share



**Figure 1: Golden Mile Project Locations in Western Australia**

**Golden Mile Resources (ASX: G88)** (“Golden Mile” or “the Company”) is pleased to provide the September 2020 quarterly report, highlighting the ongoing exploration program on its Leonora East, Darlot And Yuinmery gold projects in the West Australian Goldfields (Figure 1).

The Company has expended a total of \$167,000 on mineral exploration and evaluation activities during the quarter. For further details, please refer to the Appendix 5B report that accompanies this quarterly activities report.

This exploration work has included aircore drilling at the Benalla Gold Trend (Leonora East Project), commencement of aircore drilling at the Darlot and soil sampling at the Yuinmery project.

Another aircore drilling program over Benalla commenced late in October.

#### MARKET DATA

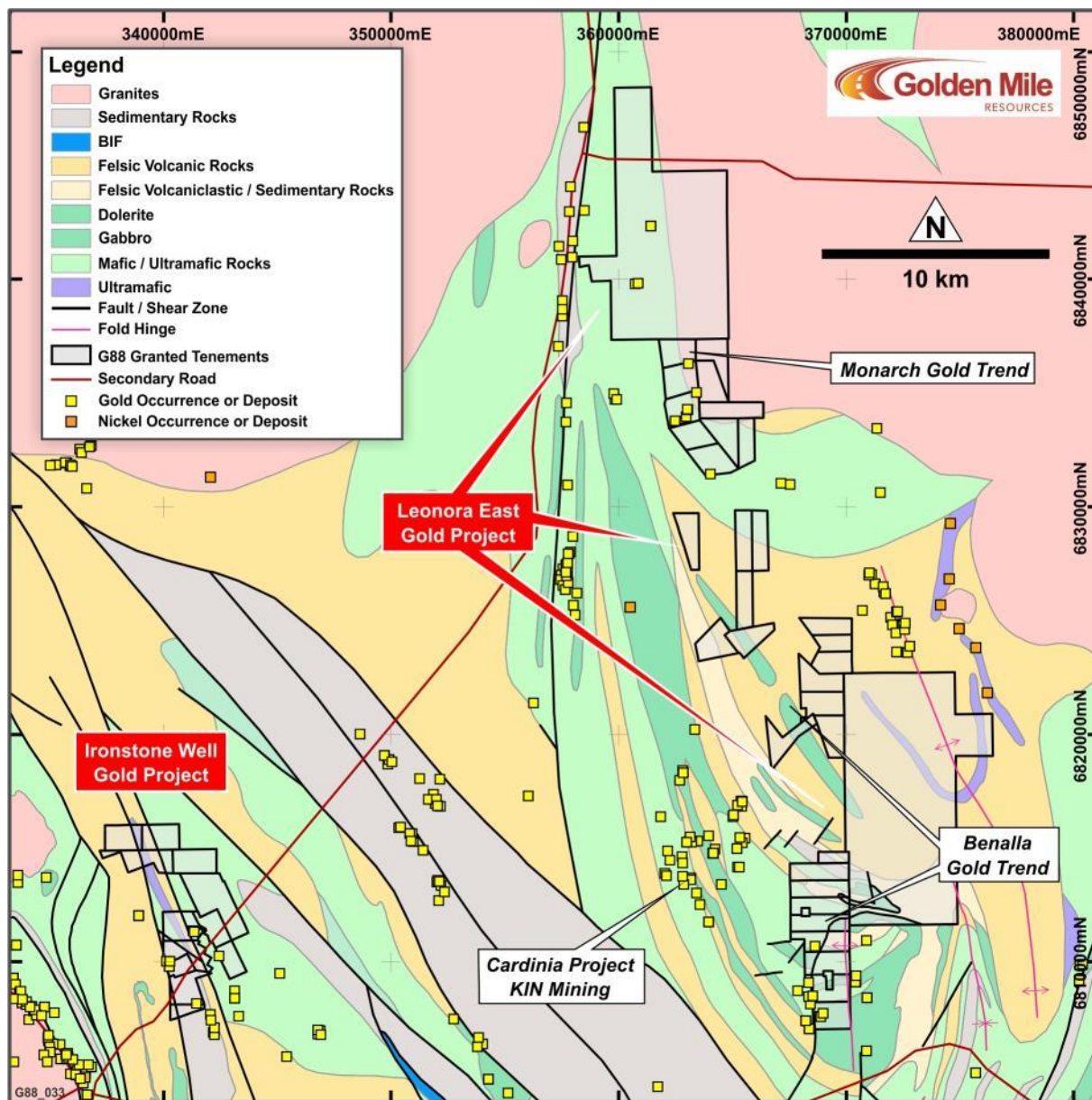
ASX Code:	G88
Share Price:	\$0.068 (as at 23/10/2020)
Market Cap:	\$8.37 Million
Shares on Issue:	123.02 Million
Options on Issue:	15.08 Million
Cash at bank:	\$1.93 Million (as at 30/09/2020)

#### BOARD & MANAGEMENT

Rhoderick Grivas - Non-Executive Chairman
Phillip Grundy - Non-Executive Director
Caedmon Marriott - Non-Executive Director
Justyn Stedwell - Company Secretary

## 1. LEONORA EAST GOLD PROJECT

The Company's Leonora East Project comprises two main blocks of tenements in the Leonora region, over the Benalla Gold Trend (BGT) in the south and the Monarch Gold Trend (MGT) in the north. The tenement areas are approximately 40 km to the northeast and 30 km to the east of Leonora, respectively (Figure 2).



**Figure 2: Golden Mile Resources gold and nickel project locations in the Leonora region of the North Eastern Goldfields**

### Aircore Drilling

During the quarter the Company completed a 72 hole aircore ("AC") drilling program for 2,423 metres tested three of the four priority targets identified by the Company's previous geochemical auger sampling over the BGT (*ASX, New Mineralisation Identified on Benalla Gold Trend, 9 September 2019*). Target BGT2 also displayed a coincident magnetic anomaly, identified by the

recent airborne magnetic survey, similar in nature to Kin Mining's Cardinia Hill prospect (*ASX:KIN, 24 July 2020*).

Assay results from the program have identified multiple intersections of gold mineralisation across two mineralised structures that could represent continuations of Kin Mining's neighbouring East Lynne and Collymore Trends.

The gold mineralisation is generally hosted in a felsic volcanic unit with associated quartz veining, disseminated sulphides (mostly pyrite, up to 5%) and potassic alteration, on or near the contact with surrounding mafic volcanic units. This style and setting is similar to as noted in the neighbouring Cardinia area.

A second phase of AC drilling at Benalla commenced in October, this will complete the remaining holes at target BGT3, as well as testing target BGT1, an undrilled 1km long auger geochemical anomaly of up to 387ppb Au, along with further follow up drilling around targets BGT2 and BGT4.

### **Benalla Regional Trends**

The principal focus of the first phase of AC drilling was auger geochemical targets BGT2 and BGT4, identified by the Company's previous geochemical auger sampling, with gold-in-soil results of up to 371ppb and 374ppb Au respectively. These targets lie along strike to the southeast of Kin Mining's emerging East Lynne gold trend (Figure 3) (*refer to ASX:KIN, 24 August, 2 September and 14 September 2020*).

A total of 60 AC holes for 1,618m were drilled along 7 drill fences across the two targets (with an additional 12 holes for 806m drilled to partially test target BGT3). Samples were collected as 4m composites and assayed for gold by 50g fire assay.

Assay results from the program highlight a number of significant intersections of gold mineralisation that appear to define a mineralised trend over approximately 900m strike length. The mineralisation is associated with a felsic volcanic unit, within an assemblage of andesite and basalt, intermediate to mafic volcanics. Quartz veining, disseminated pyrite and potassic alteration was observed associated with the felsic volcanic unit, near the contact with the surrounding andesite. An increased depth of weathering was also encountered along the mineralised trend (Figure 3). Golden Mile notes these factors can be associated with mineralisation at Kin Mining's neighbouring Cardinia project (*ASX:KIN, 27 August, 1 September, 2 September and 14 September 2020*).

Target BGT2 returned the best intersections with holes BTAC026 and BTAC027 yielding 12m at 1.03g/t Au from 40m, including 4m at 2.52g/t Au from 40m, and 8m at 1.28g/t Au from 28m, including 4m at 2.44g/t Au from 28m, respectively (intersections are downhole, true width not known). Results from Golden Mile's recent airborne magnetic survey (*ASX, Airmag Survey Enhances Gold Targets, 2 July 2020*) show a magnetic anomaly associated with the BGT2 target area (Figure 4). This magnetic feature appears somewhat similar to the magnetic anomaly seen associated with mineralisation at Kin Mining's Cardinia Hill prospect (*refer to ASX:KIN, 24 July 2020*).

*For additional information including collar location, details of assay results and JORC Table 1 and Table 2 details refer to G88:ASX, "Broad, Shallow Gold Mineralisation discovered at Benalla", 15 October 2020)*

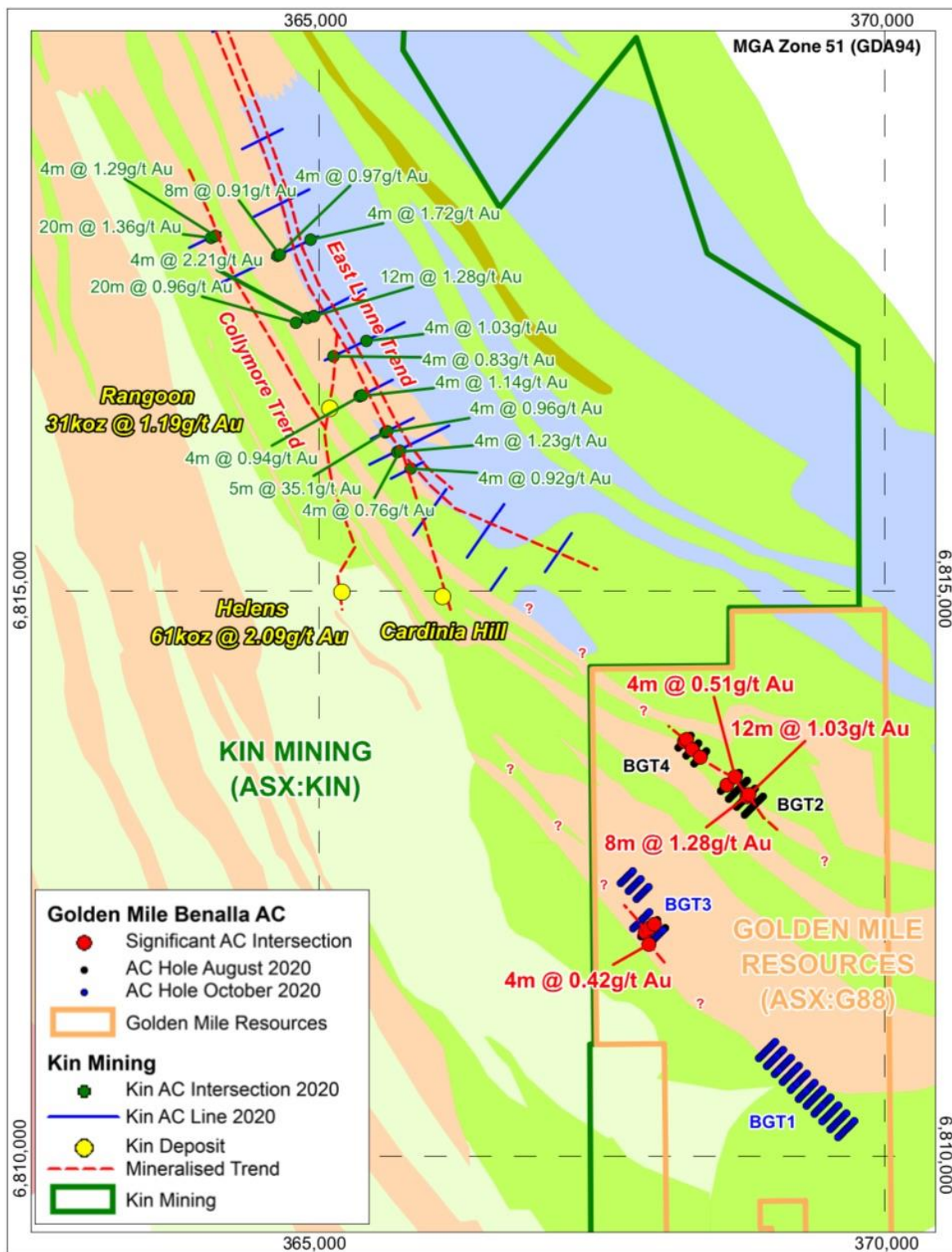


Figure 3: Regional gold trends

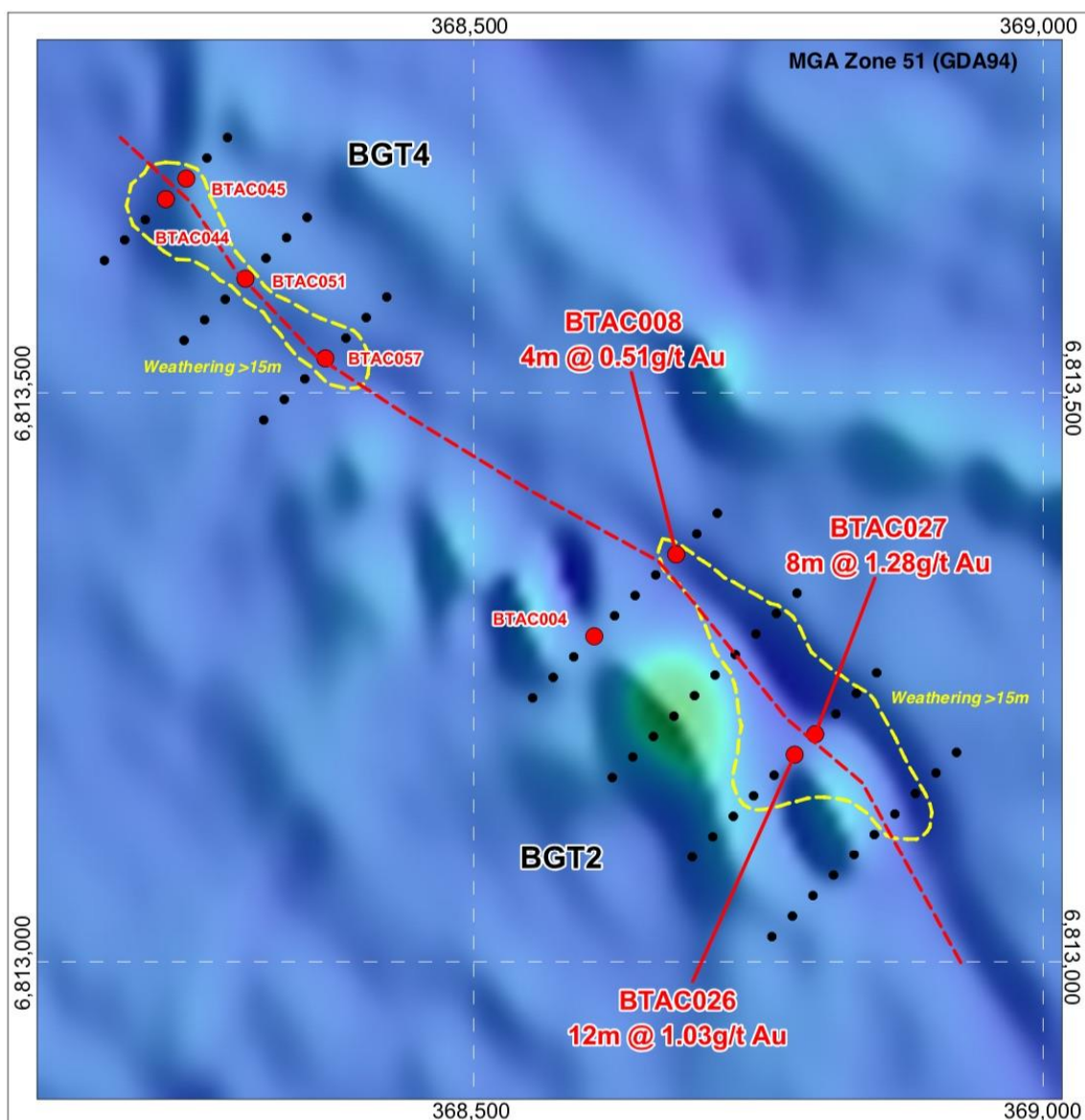


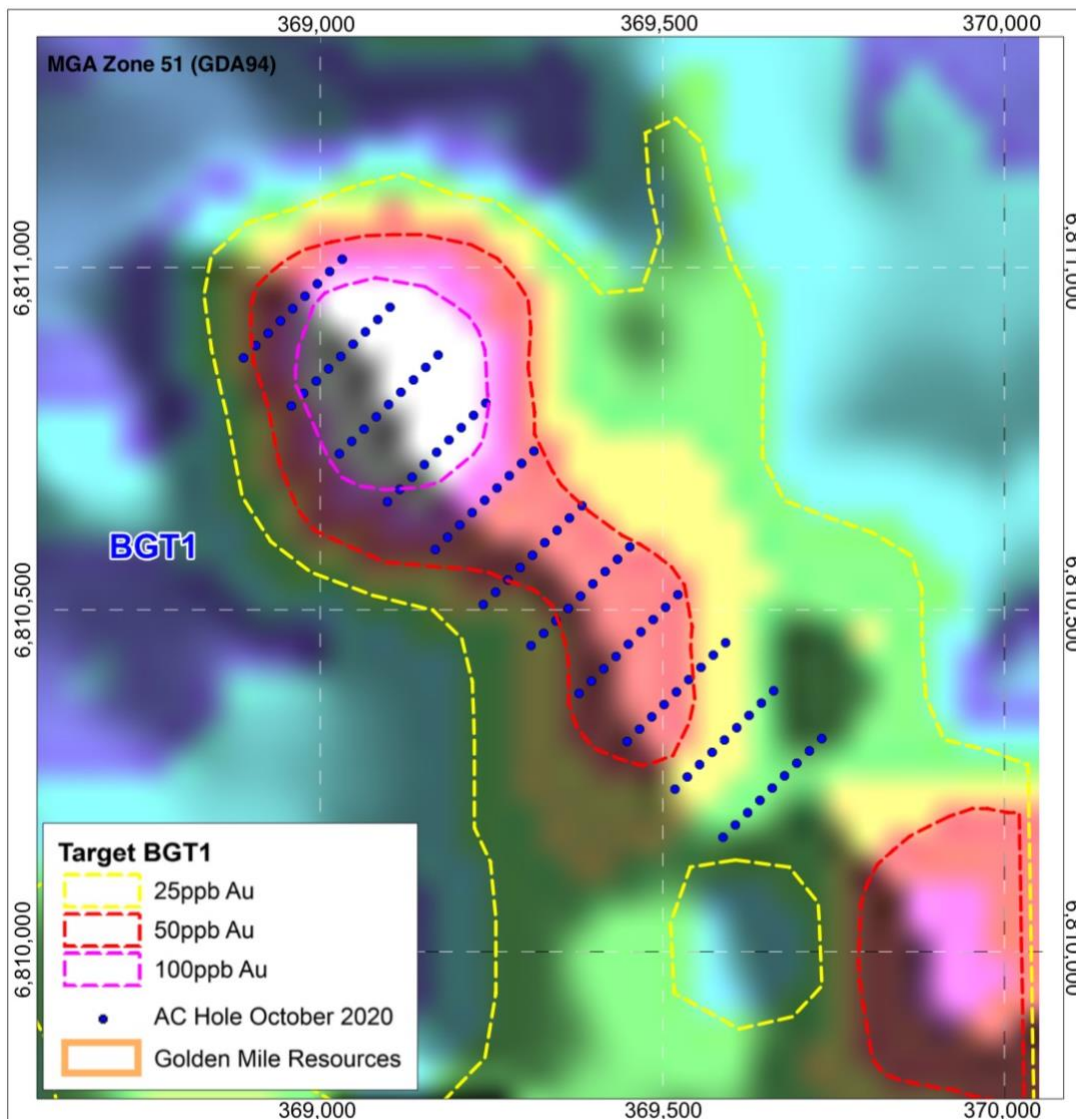
Figure 4: Aircore drilling at targets BGT2 and BGT4 (RTP1VD magnetics)

### Second Phase of AC Drilling

As recently announced (*ASX, Benalla Aircore Second Phase Commences, 22 October 2020*), a second phase of AC drilling recently commenced at Benalla. This second phase will complete the remaining undrilled holes at the partially drilled target BGT3 and then test the completely undrilled target BGT1 (Figure 5).

Twelve holes were drilled along a line across BGT3 in the first phase, with hole BTAC070 intersecting 4m at 0.42g/t Au from 4m depth at the end of a line. Target BGT3 sits of a separate parallel trend to targets BGT2 and BGT4.

The main focus of the second phase of drilling will be to test target BGT1, a geochemical auger anomaly of up to 387ppb Au, with a strike length of over 1km, which lies along trend from target BGT3.



**Figure 5: Target BGT1 gridded geochemical auger results (9 September 2019)**

Upon completion of this follow up AC drilling, and a review of the results, the identified mineralised structures will likely be targeted with a systematic RC percussion drilling program to determine the full extent and gold grade of these structures.

Golden Mile also notes the use of IP in defining similar sulphide hosted mineralisation at the neighbouring Cardinia Project (*ASX:KIN, 14 September 2020*).

## 2. DARLOT GOLD PROJECT

The Darlot Gold Project is located approximately 110 km north of Leonora and comprises a single exploration tenement (E37/1248) immediately adjacent to the Darlot Gold Mine, owned and operated by RED5 Limited (ASX:RED) (Figure 6).

Golden Mile recently completed a ground magnetic survey over the key Central and Southern Target areas of the project (*please refer to Golden Mile Resources announcement to the ASX dated 29 June 2020*). During the survey numerous historic workings and mineralised quartz veins were mapped and identified across the Central Target area. Historic rock chip samples of these quartz veins and mullock dumps, taken by previous tenement holders, gave assay results of up to 8.4g/t Au (*please refer to Golden Mile Resources announcement to the ASX dated 25 May 2020*).

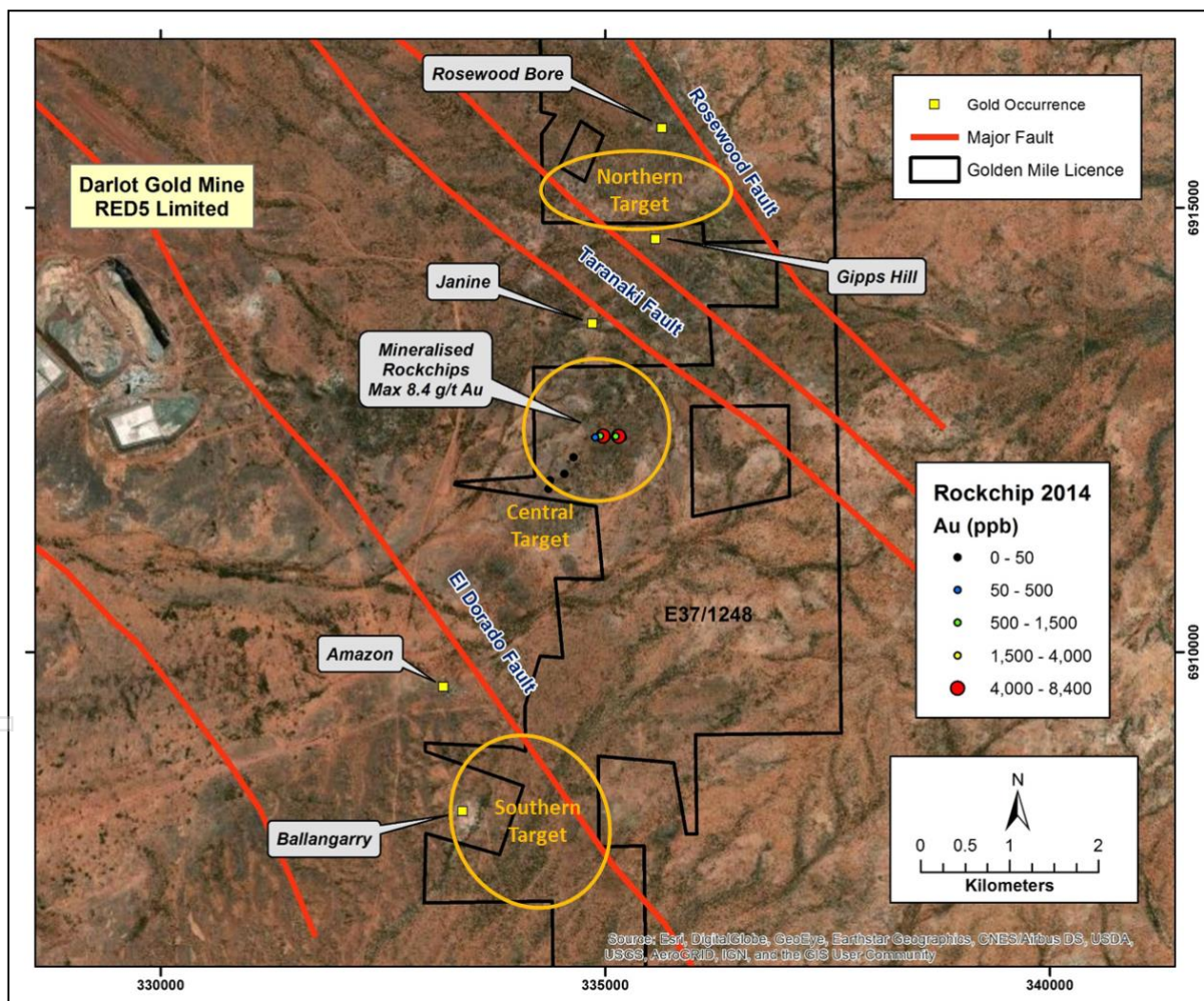


Figure 6: Location of Darlot tenement E37/1248 and target areas

In July the Company completed a high-resolution soil sampling program over the Central Target area, with approximately 430 soil samples taken at 100m x 50m spacing. The assay results from this survey show a number of gold geochemical anomalies (Figure 7), with results up to 232ppb Au (ASX, *Multiple Gold-in-Soil Anomalies Identified at Darlot Project, 25 August 2020*). The gold anomalies appear to be associated with historic workings and mineralised quartz veins. The two

strongest anomalies are located close to the sheared granite-greenstone contact and extend over approximately 400m strike.

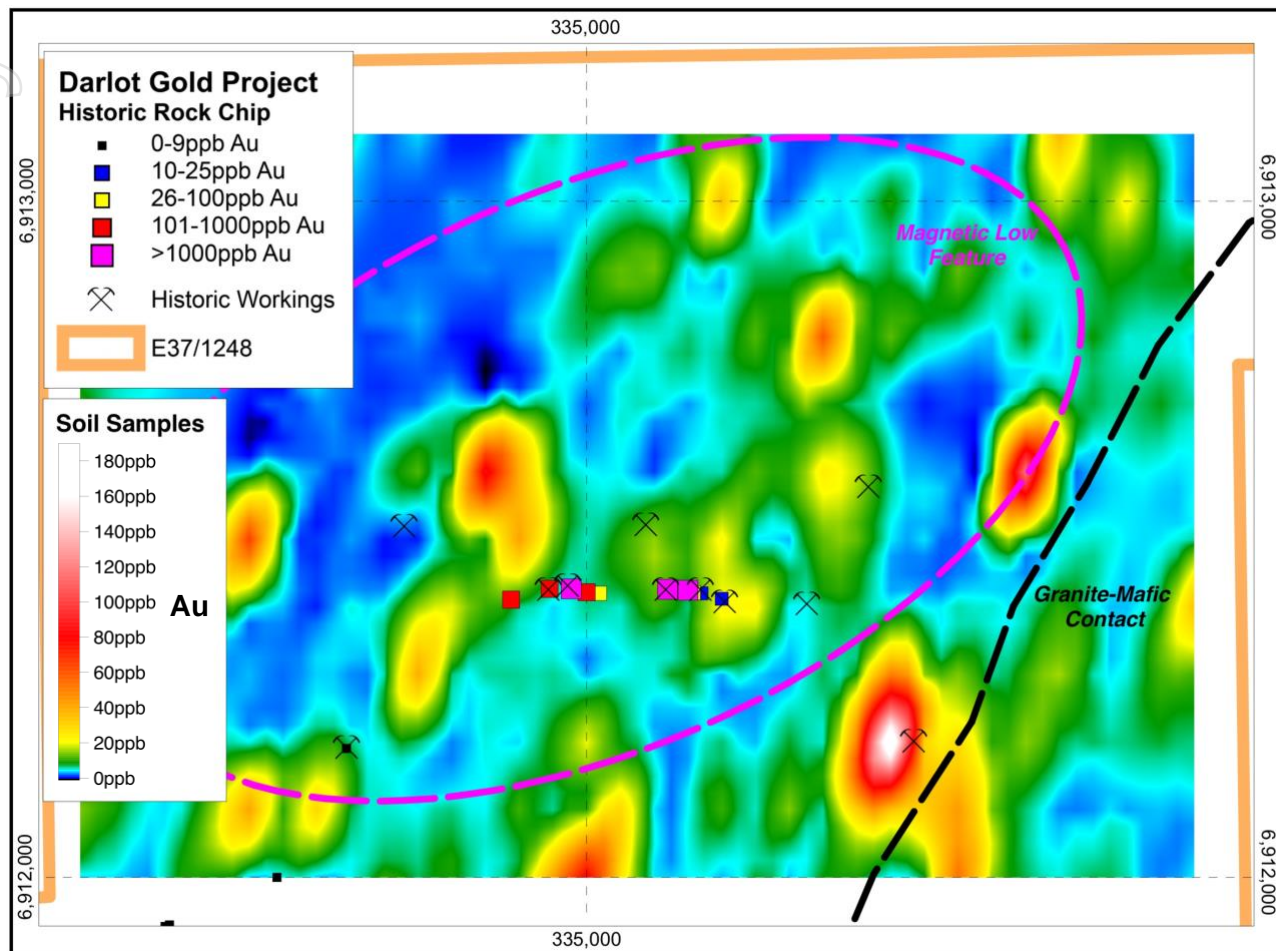


Figure 7: Darlot soil sample gold anomalies (gridded)

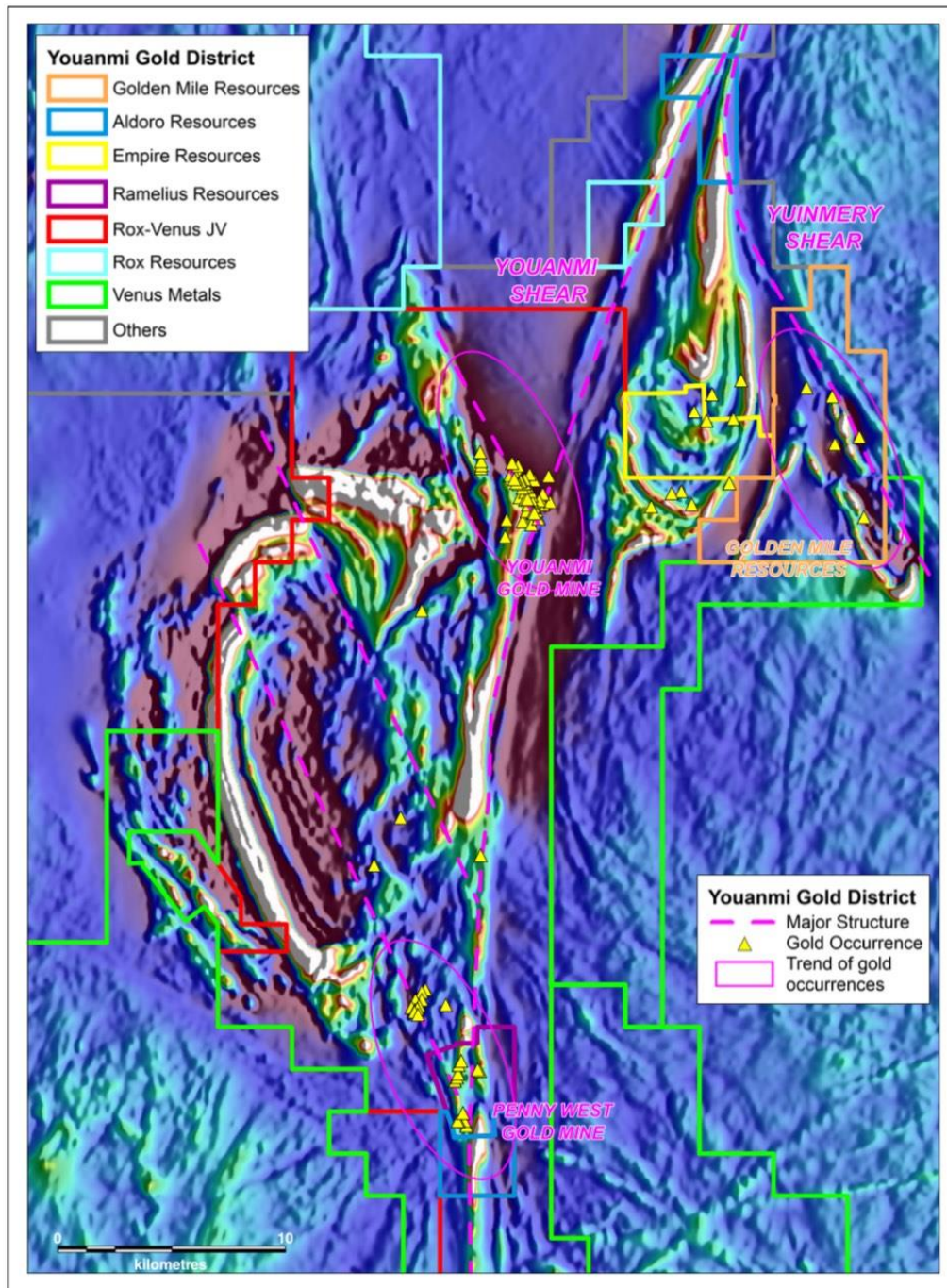
After the end of the quarter Golden Mile completed a 1,322m aircore drilling program to test a number of the gold-in-soil anomalies (*ASX, Darlot and Benalla Aircore Drilling, 14 October 2020; Benalla Second Phase Aircore Drilling Commences, 22 October 2020*).

### 3. YUINMERY GOLD PROJECT

The Yuinmery Project (tenement E57/1043) is located in the Youanmi Gold Mining District, approximately 10km east of the Youanmi Gold Mine (ASX:RXL and VMC), and adjacent to the Yuinmery Cu-Au Project (ASX:ERL). The area is experiencing a significant upswing in activity thanks to the recent high-grade Penny North (ASX:RMS) and Grace (ASX:RXL) discoveries.

The region is traversed by the north to north-northeast trending Youanmi Shear Zone, a major crustal structure that marks the boundary between the Murchison and Southern Cross domains. Gold mineralisation in the region appears to be correlated with secondary northwest trending structures intersecting the main Youanmi Shear (e.g. at Youanmi and Penny West) (Figure 8).





**Figure 8: Airmag image of Youanmi Gold District showing tenement holders and trend of gold occurrences**

The Yuinmery Project area contains approximately 9km strike length of the Yuinmery Shear, a northwest trending structure that intersects the regional Youanmi Shear. This sheared granite-greenstone contact represents a favourable structural target for gold mineralisation. A number of gold occurrences have been identified by prospectors within the tenement area, along with an 8km gold-in-soil anomaly identified by historic soil and auger geochemical sampling work, running parallel to the sheared contact.

Whilst Golden Mile's primary focus for the Yuinmery Project is gold mineralisation, the Company notes the recent exploration results at Empire Resources' (ASX:ERL) neighbouring Yuinmery Copper-Gold Project and the potential for the Yuinmery Greenstone Belt to host Cu-Au deposits such as Empire's Just Deserts deposit (2.52Mt @ 1.31% Cu, 0.49g/t Au and 1.76g/t Ag).

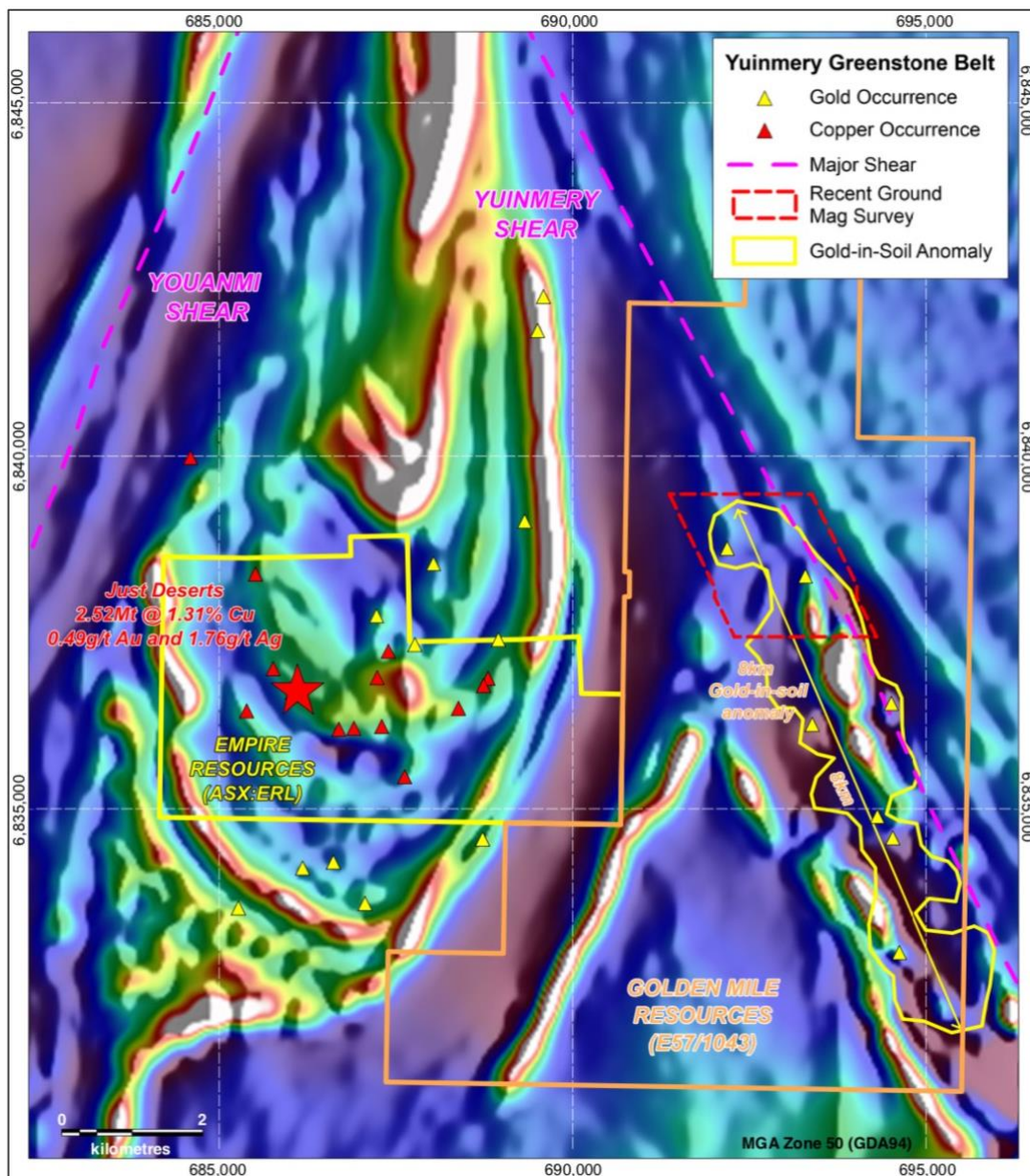


Figure 9: Airmag image of Yuinmery Greenstone Belt showing Au and Cu occurrences

Golden Mile engaged Neil Pendock, Dirt Exploration, to complete a satellite based remote sensing review of the project area. Using a spectral unmixing approach, based on ASTER, Sentinel-2B and ALOS-1 SAR imagery, this work attempts to identify and map mineral assemblages across the entire project area as a first pass targeting technique to define areas of interest. This work confirms the prospectivity of the Yuinmery Shear trend, with a number of potential indicator minerals associated with mineralisation and hydrothermal alteration, showing association with the structure. An example of galena is shown in Figure 10 below; lead (Pb) is often associated with gold mineralisation in the region as indicated by the insert, which shows a strong response over the pits

at the Youanmi Mine. A trend in response is seen within Golden Mile's tenement, associated with the historic gold-in-soil anomaly along the Yuinmery Shear, that may indicate potential gossan targets that will be ground-truthed by the Company.

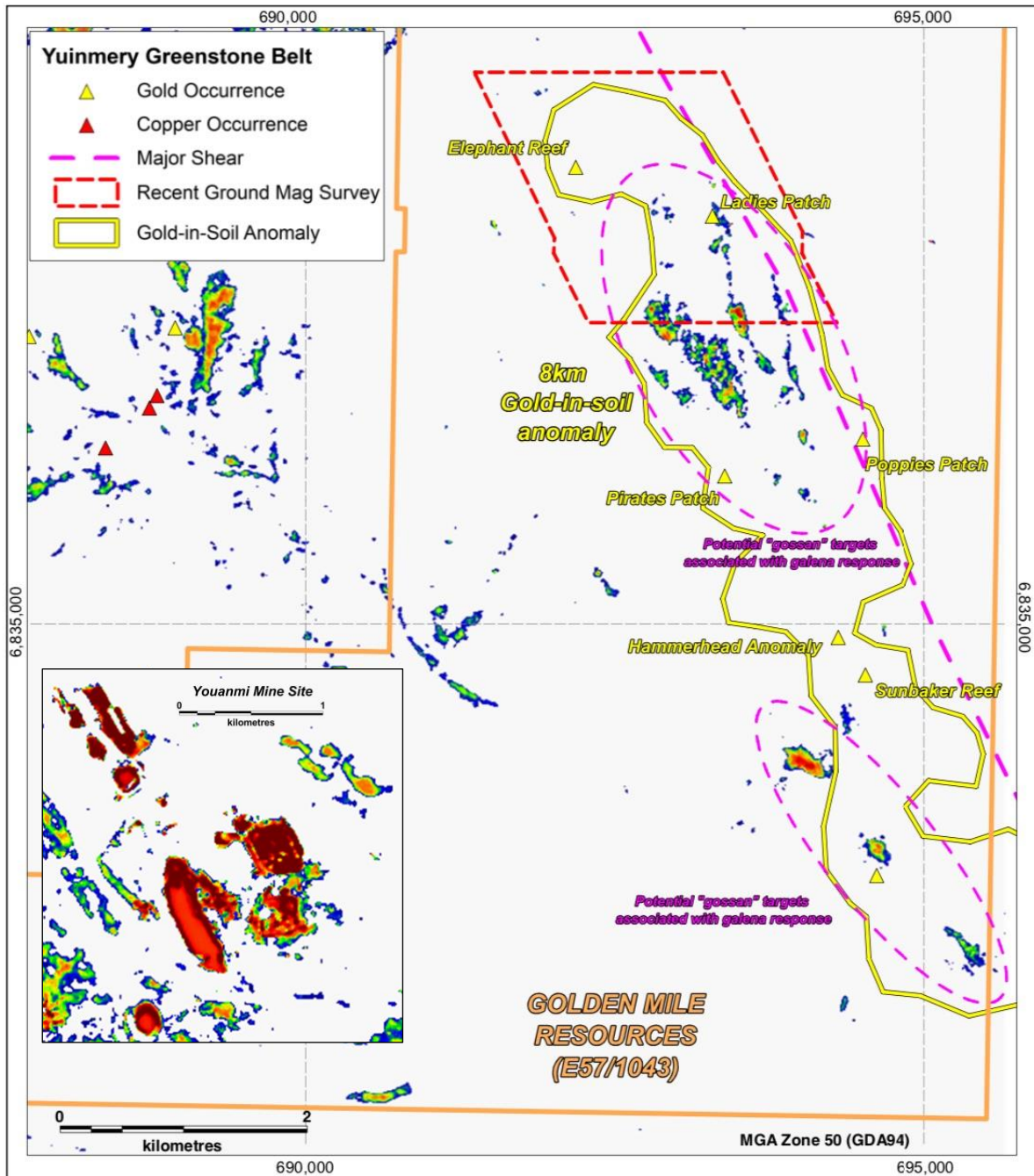


Figure 10: Sentinel-2B based VNIR/SWIR interpretation of galena mineral abundance (Dirt Exploration)

Golden Mile has recently completed the first phase of a high-resolution ground magnetic survey along the Yuinmery Shear. The survey was undertaken at 60m line spacing and covers approximately 2.2km strike length of the NW-SE trending sheared granite-greenstone contact, including the key areas of Elephant Reef and Ladies Patch identified from prospecting activities. The results of the ground magnetic survey provide a significant improvement in detail versus publicly available aeromagnetic data and will be used as a mapping tool to complete a litho-structural interpretation of the area, incorporating historical work, in order to define a first pass drilling program. Further phases of survey work along the 8km gold-in-soil anomaly within the tenement area are planned.

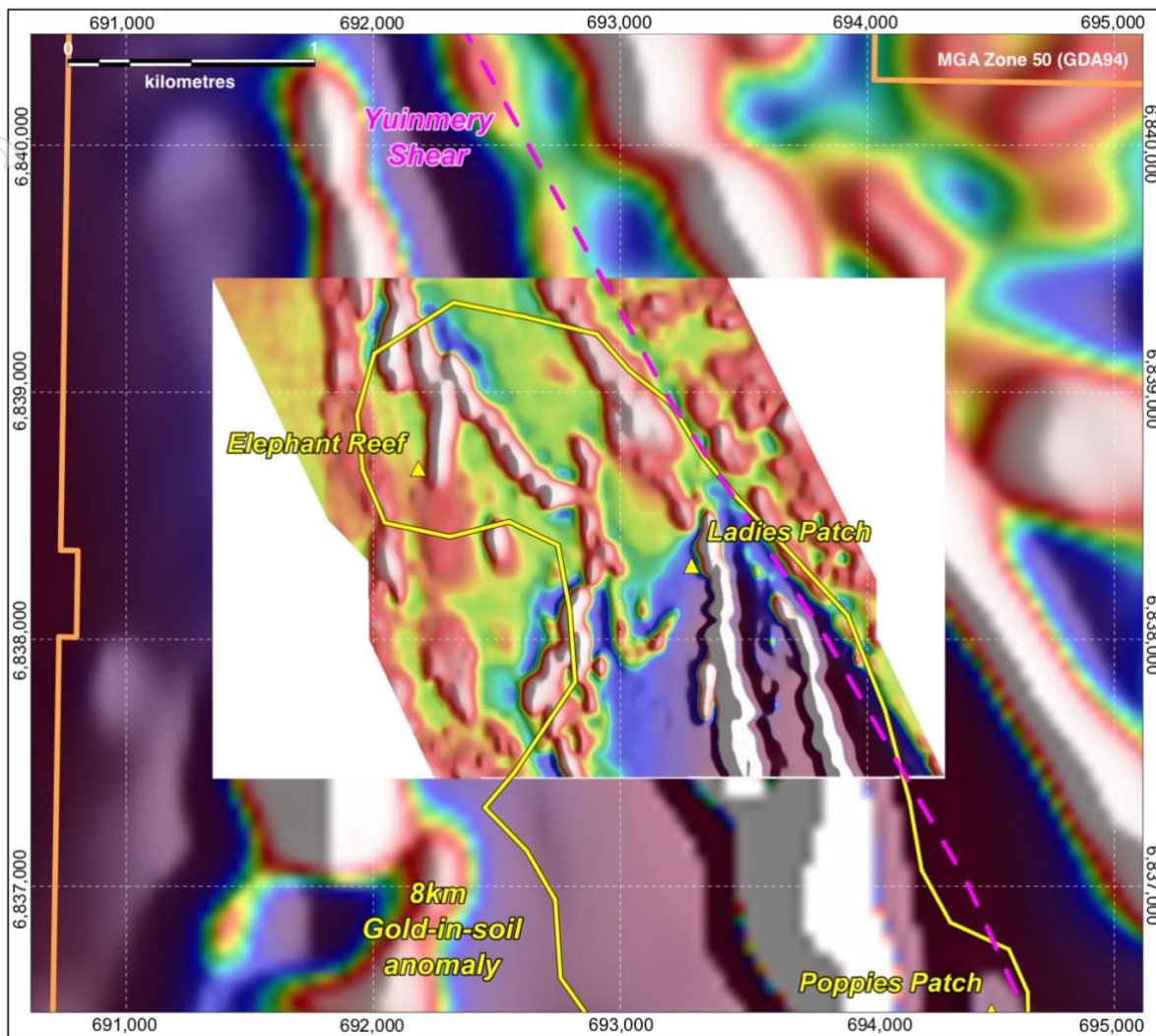


Figure 11: Area of recent ground mag survey (RTP1VD) overlying regional airmag (RTP1VD)

#### 4. IRONSTONE WELL GOLD PROJECT

The Ironstone Well Project is located approximately 6 km to the northeast of the town of Leonora (Figure 2). Golden Mile has undertaken preliminary exploration at Ironstone Well and has identified a number of prospective targets for gold mineralisation supported by historical geochemical, geophysical and drilling datasets.

The Company is currently planning to complete a small aircore drilling program during the next quarter on receipt of a POW.

#### 5. QUICKSILVER NICKEL LATERITE PROJECT

Golden Mile is evaluating a significant nickel mineralised laterite deposit located near Pingaring in the South-West Mineral Field of Western Australia, approximately 280 km southeast of Perth. The project comprises an exploration license and a prospecting license that collectively cover a total area of approximately 50 km<sup>2</sup>. The project is primarily located on privately owned farmland in an area with excellent local infrastructure, including easy access to grid power, sealed roads and a railway line to key ports (Figure 10).

A total indicated and inferred resource estimate of 26.3 Mt @ 0.64% Ni & 0.04% Co (cut-off grade >0.5% Ni or >0.05% Co) has been announced for the Quicksilver deposit (*refer to Golden Mile Resources ASX announcement dated 19 November 2018*).

The Company is continuing to consider the most effective strategy to realise value from this project.

## **6. GIDGEE PROJECT**

During the quarter the Company announced it had entered into a binding conditional farm-in agreement granting Gateway Mining Limited (“Gateway” - ASX:GML) the right to acquire an 80% interest in the Gidgee Project. Gateway has pre-existing interests in tenements located within the historical gold mining areas in the Gum Creek (Gidgee) Goldfield.

As announced on 23 July 2020, the farm-in agreement remained conditional upon the Company obtaining appropriate exemptions under the *Mining Act 1978* (WA) in relation to the expenditure conditions of the Gidgee Project tenements being EL 57/1039-I and EL 57/1040-I.

During the quarter, the Company filed applications for exemption from the expenditure conditions on the Gidgee Project tenements. Subsequently, applications for forfeiture have been filed by Steven Lionel Kean in relation to the Gidgee Project tenements. If the Company’s applications for exemption from the expenditure conditions are granted by the Minister, the applications for forfeiture filed against the tenements cannot succeed. The Company will continue to pursue the applications for exemption in relation to the expenditure conditions of the Gidgee Project tenements.

## **7. CORPORATE**

### ***Capital Raising***

During the reporting period the Company successfully completed a capital raising of A\$1,691,783 through the issue of 33,835,660 ordinary shares at A\$0.05 (5.0 cents) per share, consisting of;

- A placement raising \$1,114,783 from professional and sophisticated investors; and
- A share placement plan to raise \$577,000 from the Company’s eligible shareholders.

The funds raised will principally be utilised to progress the exploration of the Company’s gold projects in the goldfields of Western Australia. For further information refer to G88:ASX releases dated 1 September and 25 September 2020, subsequent to the end of the quarter.

### ***Project Evaluations***

The Company has been actively reviewing new gold project opportunities that could potentially complement and enhance the Company’s current project portfolio.

### ***Payments to Related Parties***

As required in Section 6 of the Appendix 5B quarterly cash flow report, the Company made payments to related parties and their associates during the quarter comprising payments to directors, management and related service providers totalling \$95,000.

This Report has been approved for release by the Board of Golden Mile Resources Limited.

For further information please contact:

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 T: (03) 8395 5446, F: (03) 8678 1747  
 E: [rgrivas@goldenmileresources.com.au](mailto:rgrivas@goldenmileresources.com.au)

**Justyn Stedwell** – Company Secretary  
**Golden Mile Resources Ltd (ASX: G88)**  
 T: (03) 8395 5446, F: (03) 8678 1747  
 E: [justyn@stedwell.com.au](mailto:justyn@stedwell.com.au)

## About Golden Mile Resources Ltd



Golden Mile Resources is an Australian based exploration and development company, with an outstanding suite of gold and nickel-cobalt projects in Western Australia.

The Company was formed in 2016 to carry out the acquisition, exploration and development of mining assets in Western Australia, and has to date acquired a suite of exploration projects, predominantly within the fertile North-Eastern Goldfields of Western Australia.

The Company's portfolio includes a suite of gold projects in the North-Eastern Goldfields which include the Leonora East, Ironstone Well, Darlot and Gidgee projects.

In addition, Golden Mile holds two nickel-cobalt projects, namely the Quicksilver project in the South West Mineral Field and the Minara project.

The Company has recently acquired the Yuinmery Gold Project in the Youanmi gold mining district.

For more information please visit the Company's website: [www.goldenmileresources.com.au](http://www.goldenmileresources.com.au) or [www2.asx.com.au/markets/company/G88](http://www2.asx.com.au/markets/company/G88)

### **Forward-Looking Statements**

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Mile Resources Ltd (ASX: G88) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Mile Resources Ltd (ASX: G88) believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

### **Competent Persons Statement**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon and fairly represents information and supporting documentation prepared by Mr Rhoderick Grivas, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Grivas is an employee of the Company and is a shareholder of the Company.

Mr Grivas 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'

*(the JORC Code). Mr Grivas consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.*

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

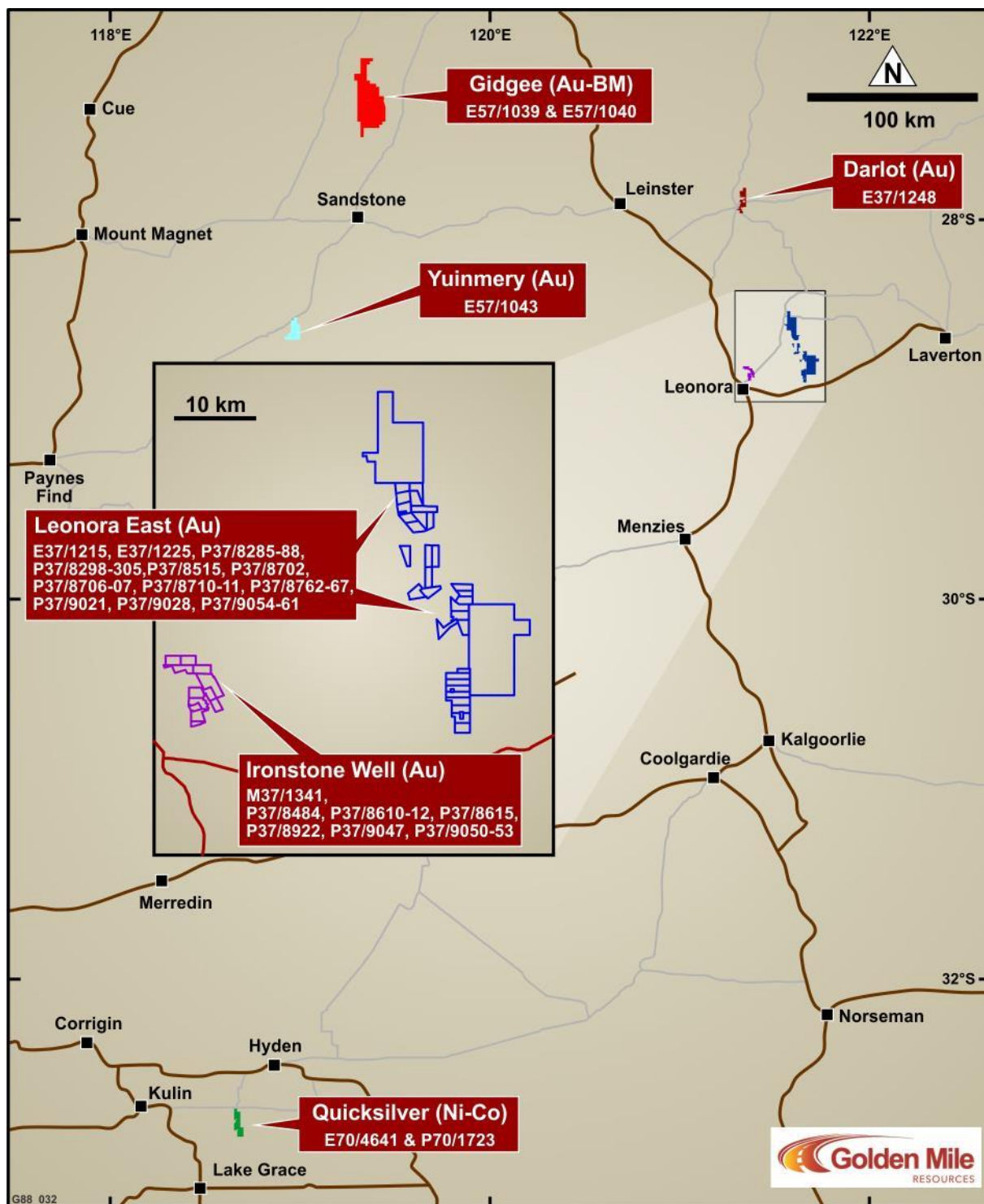
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**Appendix I – Tenement Schedule as at 30 September 2020**

Tenement No.	Project	Status	Interest At Beginning of Quarter	Interest At End of Quarter	Region
E 37/1248	Darlot Gold	Granted	100%	100%	NE Goldfields, WA
E 57/1039-I	Gidgee Polymetallic	Granted	100%	100%	Northern Yilgarn, WA
E 57/1040-I	Gidgee Polymetallic	Granted	100%	100%	Northern Yilgarn, WA
M 37/1041	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8484	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8610	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8611	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8612	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8615	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9047	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9050	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9051	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9052	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9053	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8922	Ironstone Well East Gold	Granted	100%	100%	NE Goldfields, WA
E 37/1225	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8285	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8286	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8287	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8288	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8298	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
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P 37/8305	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8515	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8702	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8706	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8707	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
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P 37/9058	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9059	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9060	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9061	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
E 37/1215	Minara Nickel-Cobalt	Granted	100%	100%	NE Goldfields, WA
E 70/4641	Quicksilver Nickel-Cobalt	Granted	100%	100%	SW Mineral Field, WA
P 70/1723	Quicksilver Nickel-Cobalt	Granted	100%	100%	SW Mineral Field, WA
E 57/1043	Yuinmery Gold	Granted	100%	100%	NE Goldfields, WA



Appendix II – Tenement Location Map as at 30 June 2020



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