(ASX: GMN) **ASX RELEASE**

14th May 2021

Wabag Project
MCD009 Drill Hole Update

Gold Mountain Limited (ASX: GMN) is pleased to update the market on the progress of its exploration activities at the company's flagship Wabag Project in PNG.

Highlights

- **MCD009**
    - Completed to a depth of 637m, having intersected a tonalite porphyry in the top 309m of the hole (Wale Batholith) and a strongly potassic altered micro-diorite from approximately 309m to 637m
    - Evidence of porphyry mineralogies including quartz, magnetite, epidote and sulphide veins and fracture fill sulphides occur throughout MCD009
    - The best intercepts recorded are:
        - **20m @ 0.18% Cu, 0.01 g/t Au and 50ppm Mo from 75m[1]**
        - **21m @ 0.13% Cu, 0.01 g/t Au and 7ppm Mo from 186m**
    - MCD009 intersected a large porphyry system but did not intersect high-grade zones
    - Strong evidence of a porphyry system at Mongae and Monoyal and further petrology and detailed geochemical analysis is required in order to vector in on higher grade zones and or adjacent mineralised skarns prior to further drilling

[1] Intercepts calculated using a 700ppm Cut of grade (COG) with 3m minimum width and 3m of internal dilution

MCD009

MCD009 was drilled at the Mongae prospect in January and February 2021. The hole was completed to a depth of 637m and was drilled to test below and along strike of elevated copper geochemistry intersected by hole MCD002, drilled in 2018[2].

The hole was stopped at this depth due to the limited depth capability of the rig combined with adverse ground condition. The map showing the location of MCD009 with respect to the other drill holes at Mongae – Monoyal is presented on Figure 1 and hole parameters are included in Table 1.

The hole intersected the Wale Batholith, in the top 309m of the hole and at sporadic intervals for the rest of the hole. A microdiorite, or a less differentiated phase of the Wale Batholith was intersected in the remainder of the hole.

MCD009 intersected widespread, low levels of copper mineralisation throughout the entire hole with associated Mo. Higher grade zones (+0.1% Cu) were intersected throughout the hole with the best intercept being **20m @ 0.18% Cu from 75m.** Other intercepts of note are:

- 21m @ 0.13% Cu and 7ppm Mo from 186m
- 13m @ 0.12% Cu and 23 ppm Mo from 363m
- 46m @ 0.10% Cu and 39ppm Mo from 410m
- 68m @0.10% Cu and 57ppm Mo from 534m

An idealised section of the hole showing the copper and molybdenum geochemistry is included as Figure 2 and significant intercepts are presented in **Table *2*** and **Table *3***.

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

Table 1. Mongae MCD009 drillhole parameters

Hole No	Easting	Northing	RL	Azimuth	Dip	Max Depth (m)
MCD009	810,589	9,419,192	1,766	225	-60	637.00 (EOH)

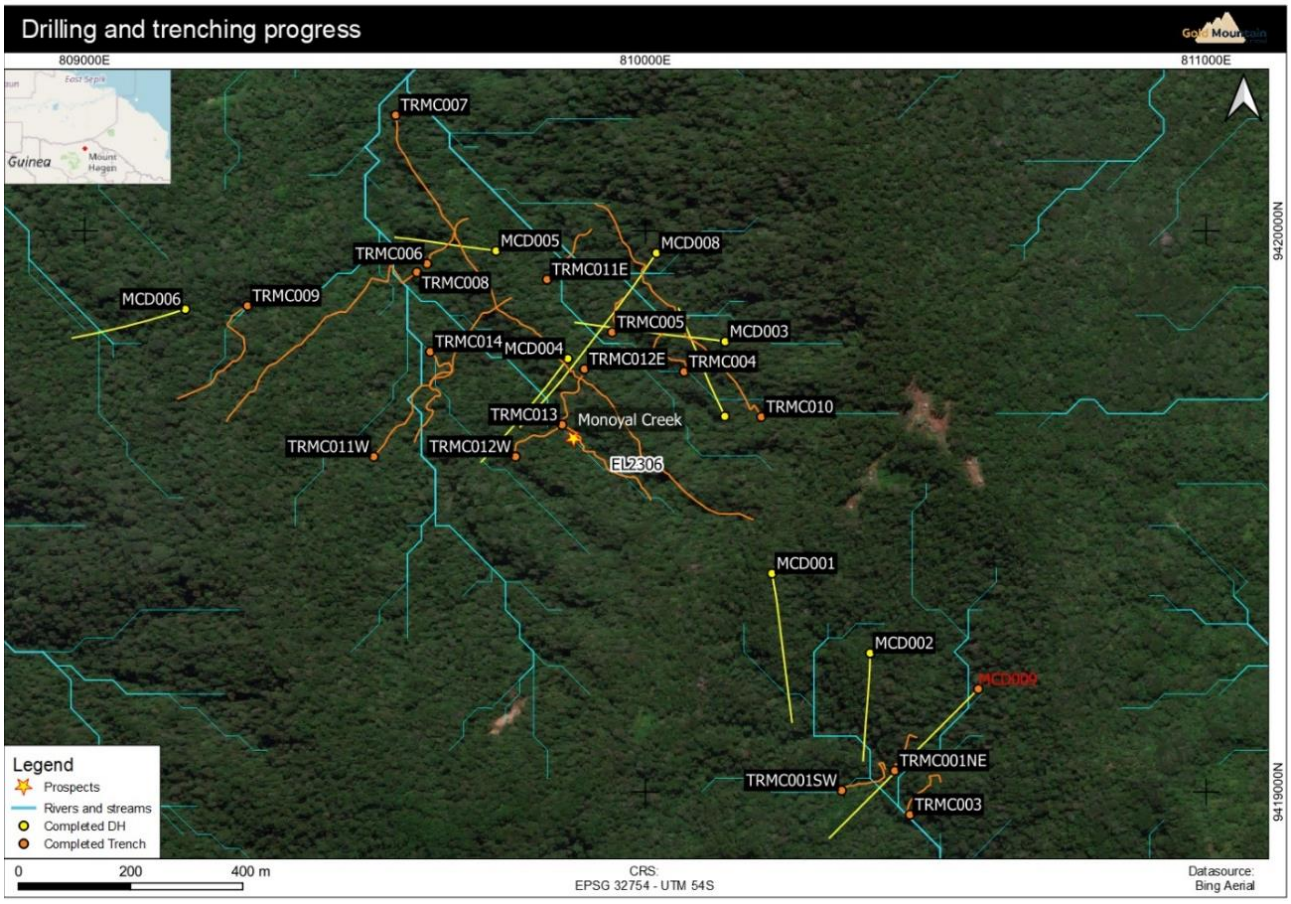

Figure 1. Drill Hole Location Map - Monoyal (Mongae area)

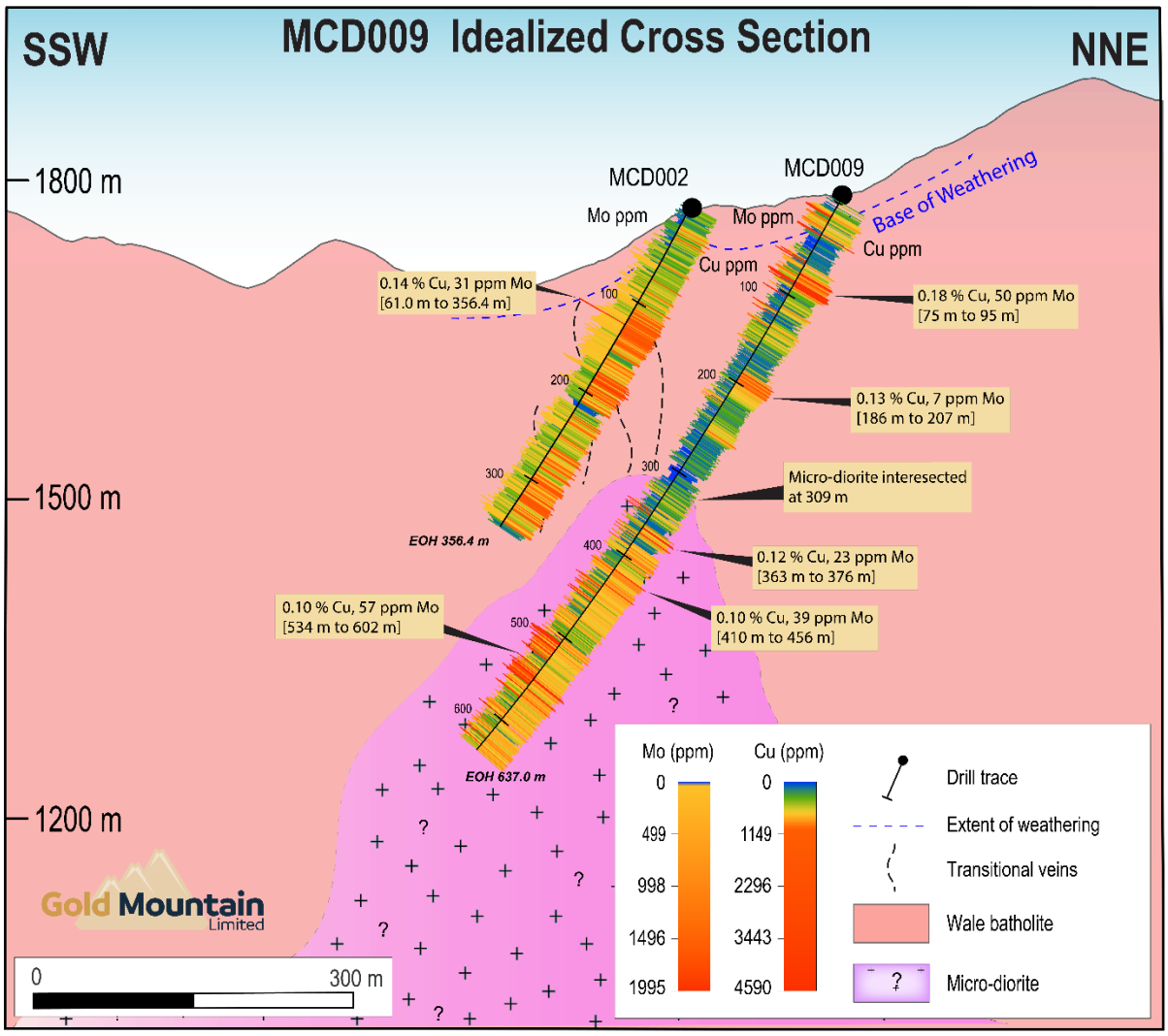

Figure 2. MCD009, Idealised Cross Section

Table 2. MCD009 Intercepts using a 700ppm Cu COG*

From (m)	To (m)	Interval (m)	Cu (%)	Mo (ppm)	Au (ppm)	Ag (ppm)	S (%)	Zn (%)
15	18	3	0.10	112	0.01	0.05	0.01	99
75	95	20	0.18	50	0.01	0.59	2.57	48
186	207	21	0.13	7	0.01	1.20	1.40	120
253	257	4	0.11	7	0.02	0.53	1.09	48
363	376	13	0.12	23	0.01	0.29	1.24	33
384	405	21	0.10	24	0.01	0.29	1.62	45
410	456	46	0.10	39	0.01	0.18	2.86	30
499	516	17	0.09	157	0.01	0.32	4.89	46
534	602	68	0.10	57	0.02	0.33	3.24	73
606	637	31	0.09	33	0.01	0.32	3.57	55

**Intercepts calculated using a 3m minimum width with a 700ppm Cu COG, with maximum internal dilution of 3m. Lengths are downhole widths, true widths are unknown.*

Table 3. MCD009 Intercepts using a 1,000ppm Cu COG

From (m)	To (m)	Interval (m)	Cu (%)	Mo (ppm)	Au (ppm)	Ag (ppm)	S (%)	Zn (%)
87	93	6	0.28	104	0.01	0.97	2.76	52
189	201	12	0.16	7	0.01	1.66	1.42	141
366	374	8	0.14	22	0.01	0.30	1.39	29
396	401	5	0.12	29	0.01	0.28	2.07	37
415	422	7	0.15	50	0.01	0.23	3.27	35
427	436	9	0.12	18	0.01	0.27	2.74	35
499	506	7	0.11	110	0.01	0.39	5.14	66
547	553	6	0.16	83	0.03	0.47	3.41	41
558	569	11	0.12	37	0.03	0.37	3.16	119
621	625	4	0.12	39	0.02	0.35	3.28	42

**Intercepts calculated using a 3m minimum width with a 1,000ppm Cu COG, with maximum internal dilution of 2m. Lengths are downhole widths, true widths are unknown.*

Tim Cameron the CEO of GMN stated, "*The results from MCD009 are consistent with the previous results obtained from holes MCD001 to MCD008. We have intersected a large porphyry which contains elevated copper and molybdenum mineralisation, but we are yet to hit any high-grade zones within the intrusive. GMN will do additional geochemical and petrological work on the Wale batholith with the aim of vectoring in on a potential high-grade core. GMN will also investigate the possibility of skarn deposits which may be situated at the margin of the Wale Batholith and the calcareous country rocks. While we are undertaking these further studies we plan to send the drill rig to Mt Wipi where the early exploration programme appears to be generating multiple targets, we are currently finalising our analysis and plan to release details on this next week".*

- END -

The Board of Gold Mountain Limited authorised this announcement be provided to the ASX.

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

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Reference to Previous Releases

Exploration results referred to in this announcement have been previously announced to the market in a report dated 30th November 2018 which is available to view and download from the company website www.goldmountainltd.com.au/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 the owner and sole director of PSGS Pty Ltd and is contracted to Gold Mountain Ltd as their Operations Manager. Mr Smith confirms there is no potential for a conflict of interest in acting as the 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.*	• The Drill core described in this announcement were taken from MCD009 and were a combination of PQ, HQ and NQ 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, half HQ core and NQ half core were submitted for analysis. Sample intervals were based on lithology but in general were 1 m. • All samples were placed in individually labelled calico 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 /NQ equipment. Drilling was used to produce drill core with a diameter of 85 mm (PQ) or 63.5mm (HQ) and 47.6mm. • Diamond core was oriented downhole using a reflex core orientation device and alpha and beta angles recorded where the core was competent enough to collect readings • MCD009 was orientated at -60° towards azimuth 225° to a depth of 637.00m (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*	• 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. The overall recovery for MCD0009 was >85%, with the majority of core loss in the top 100 m of the hole in the oxide zone

	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.*	• 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.* • *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 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. • 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 MCD009 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 Intertek in Lae (PNG) for gold and by Intertek in Townsville (Australia) for multi-element analysis. • The Entire samples were pulverised by the laboratory prior to 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.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the*	• Industry standard analytical methods undertaken by Intertek in Lae (PNG) and Townsville (Queensland) • Gold assays – 50 g fire assays (method Au-FA-50). • Multi-element – 0.25 g sub-sample digested in 4-acid digest followed by ICP-MS determination (method 4A/MS48). • QC by laboratory included check assays, duplicate sub-sampling, blanks and standards. QC results show acceptable

	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.*	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. • Assay data have not been adjusted.
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.*	• 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 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 and drilling programs. • Data spacing for the diamond drill holes 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 Intertek in Lae (PNG) by GMN contractors. The samples undergo sample preparation in Lae and are assayed for Gold. The pulverised samples are then forwarded to Intertek in Townsville (Australia) for multi-element analysis by Intertek
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 current and the tenement expires on the 13th of December 2021. An application to extend the licence's duration will be lodged later in 2021. • 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 occur within a major structural zone, the New Guinea Mobile Belt. It is underlain by Cretaceous-Paleocene marine sediments of the Chim Formation in the east, Eocene micrite and fine calcarenite of the Nebilyer unit limestone in the north, Oligocene-Miocene siltstone and shale of the Kera unit, Miocene sediments and andesitic volcanics of the Aure Group. Miocene granodiorite and diorite of the Wale Batholith intrude the sediments in the northern part of the EL. Pliocene Timun Conglomerate, composed of a variety of rock type clasts, occurs in the headwaters of the Timun River in the south-eastern part of the EL • EL2306 contain the potential for skarn deposits and porphyry copper-gold deposits, intrusive-related gold, and epithermal gold deposits. • The Monoyal, Mongae, prospect is targeting porphyry mineralisation within a variably altered porphyritic tonalite and micro-diorite • Mineralisation encountered to date has been predominantly iron-pyrite, chalcopyrite and molybdenum observed on fracture surfaces and in veins.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results*	• 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-

	• *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.*	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 in this release. Weighted averaging of drill hole intercepts used where relevant. The COG and internal dilution values are provided. • 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 confined 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*	• A plan view of drill hole locations and interpreted sectional views are included in the attached report.

	appropriate sectional views.	
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 have been 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 relevant exploration data has been reported in this release.
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 and Mongae Prospect on EL2306.