

GOLDEN MILE RESOURCES LIMITED

ABN 35 614 538 402

**Financial Report for the Half Year Ended
31 December 2017**

GOLDEN MILE RESOURCES LIMITED
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Golden Mile Resources (ASX: G88) (“Golden Mile” or “Company”) is pleased to report on the Company’s activities for the period ended 31st December 2017. Golden Mile’s work program has included both its nickel-cobalt and gold projects, with a focus on the Quicksilver nickel-cobalt project in the Southwest Mineral Field and the Ironstone Well & Leonora East gold projects in the Northeastern Goldfields of Western Australia.



Figure 1 – Golden Mile’s project locations in Western Australia

1. Quicksilver Nickel-Cobalt Project – SW Mineral Field

The Quicksilver Nickel-Cobalt Project is located in the South West Mineral Field of Western Australia, south of wheatbelt town of Hyden. The Project is composed of one granted Exploration Licence (E 70/4641 – 100% Golden Mile) covering 15 kilometres of prospective stratigraphy.

Exploration has defined an extensive nickel-cobalt target at the Garard Prospect (“Garard’s” - Figure 2), which covers over 2,400 metres of strike.

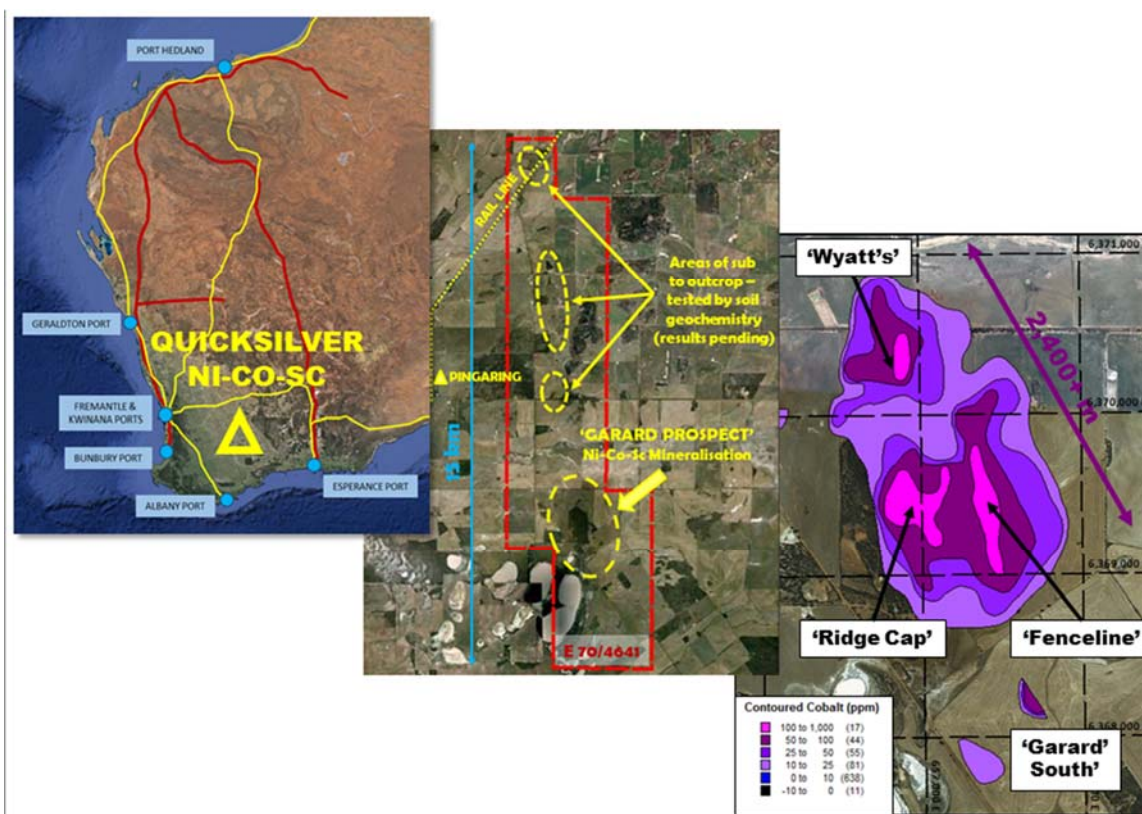


Figure 2 – Quicksilver & prospect locations, with contoured cobalt assays at Garard's

1.1 Aircore Drilling (Phase 1)

The Garard prospect area was systematically drill tested in July-August 2017 with aircore drilling undertaken on 400 x 100 metre centres, to blade refusal, with assays returning wide intercepts of nickel, cobalt and scandium mineralisation.

Significant nickel & cobalt mineralisation was intersected in the saprolitic and oxide zones at the Garard prospect and appear to extend into fresh rock. Intercepts include a number of highly anomalous nickel (>1%) and cobalt (>0.1%) assays (Figure 3), including:

QAC010	16 metres @ 1.73% Nickel & 0.10% Cobalt	from 36 metres
	Including 8 metres @ 2.16% Nickel & 0.07% Cobalt	from 40 metres
QAC012	7 metres @ 0.68% Nickel & 0.15% Cobalt	from 20 metres (BOH)
	Including 3 metres @ 1.02% Nickel & 0.10 % Cobalt	from 24 metres (BOH)
QAC014	12 metres @ 0.13% Cobalt & 0.46% Nickel	from 16 metres
QAC015	12 metres @ 0.16% Cobalt & 0.58% Nickel	from 32 metres

Anomalous grades of accessory metals are also associated with the nickel-cobalt mineralisation at the Garard prospect, including grades of up to **3.48% Manganese** (QAC015) and **1.87% Chrome** (QAC022).

**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

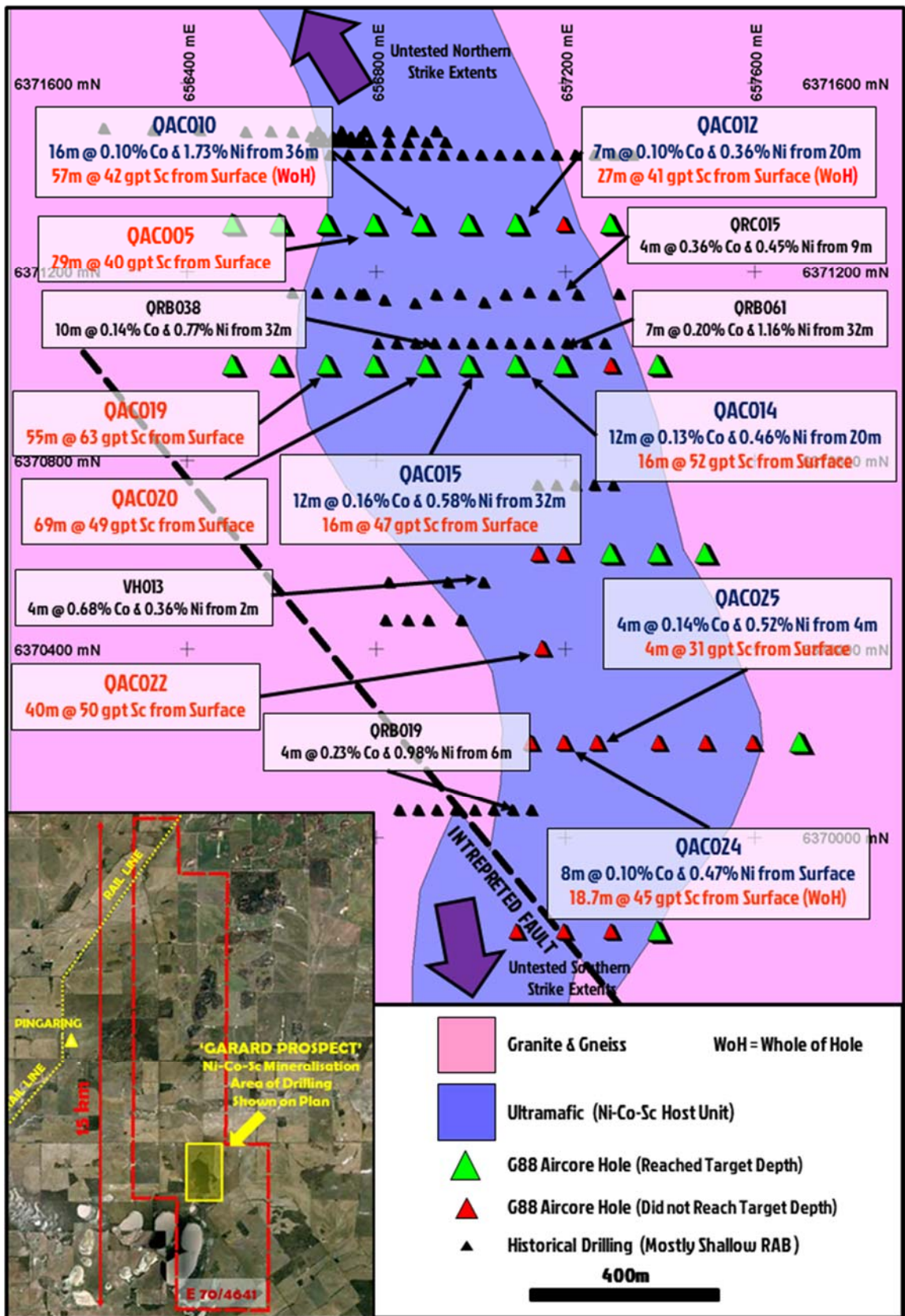


Figure 3 – Interpreted geology of the Garard prospect with drill hole locations and higher-grade cobalt (>0.1% cobalt) and scandium intercepts, in addition to quoted historical intercepts.

1.2 RC Drilling (Phase 2)

The infill and extensional RC drilling program at Quicksilver during October-November 2017 included 66 drill holes (QRC07-092) and resulted in over 4,800 metres of drilling.

The nickel mineralisation at Quicksilver is found in at least two zones within the subsurface profile:

- A. The siliceous saprock at the base of the weathering profile, which is typically intersected from approximately 20 metres below surface and can extend to more than 75 metres depth and*
- B. The presence of significant nickel assays (>0.4%) and disseminated sulphides in samples at the end of several drill holes indicates that mineralisation extends into fresh rock and may extend to depth – this is now being investigated by geophysical methods for further drill testing.*

The RC drilling has returned outstanding intercepts of both nickel and cobalt from composite sampling, including:

QRC040	44 metres @ 1.24% Nickel & 0.08% Cobalt	from 24 metres
Including	8 metres @ 2.70% Nickel & 0.13% Cobalt	from 56 metres
QRC041	28 metres @ 1.01% Nickel & 0.04% Cobalt	from 52 metres
QRC047	12 metres @ 1.03% Nickel & 0.26% Cobalt	from 24 metres
QRC054	56 metres @ 0.77% Nickel & 0.05% Cobalt	from 20 metres
Including	8 metres @ 1.18% Nickel & 0.15% Cobalt	from 44 metres
And	8 metres @ 1.40% Nickel & 0.02% Cobalt	from 64 metres
QRC063	28 metres @ 0.71% Nickel & 0.04% Cobalt	from 12 metres
Including	4 metres @ 1.12% Nickel & 0.06% Cobalt	from 20 metres
QRC064	36 metres @ 0.59% Nickel & 0.02% Cobalt	from 8 metres
Including	4 metres @ 1.28% Nickel & 0.01% Cobalt	from 16 metres
QRC087	24 metres @ 1.27% Nickel & 0.05% Cobalt	from 24 metres
Including	8 metres @ 2.16% Nickel & 0.08% Cobalt	from 28 metres
QRC091	24 metres @ 0.72% Nickel & 0.03% Cobalt	from 8 metres
Including	12 metres @ 1.01% Nickel & 0.03% Cobalt	from 12 metres
QRC092	56 metres @ 0.53% Nickel & 0.04% Cobalt	from 20 metres

In addition, several reconnaissance drill holes, in the southern tenement area, have returned significant intercepts of nickel & cobalt including the southern-most drill hole of the program, QRC087 intersecting 24 metres of mineralisation at over 1% nickel (Figure 4).

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REVIEW OF OPERATIONS**

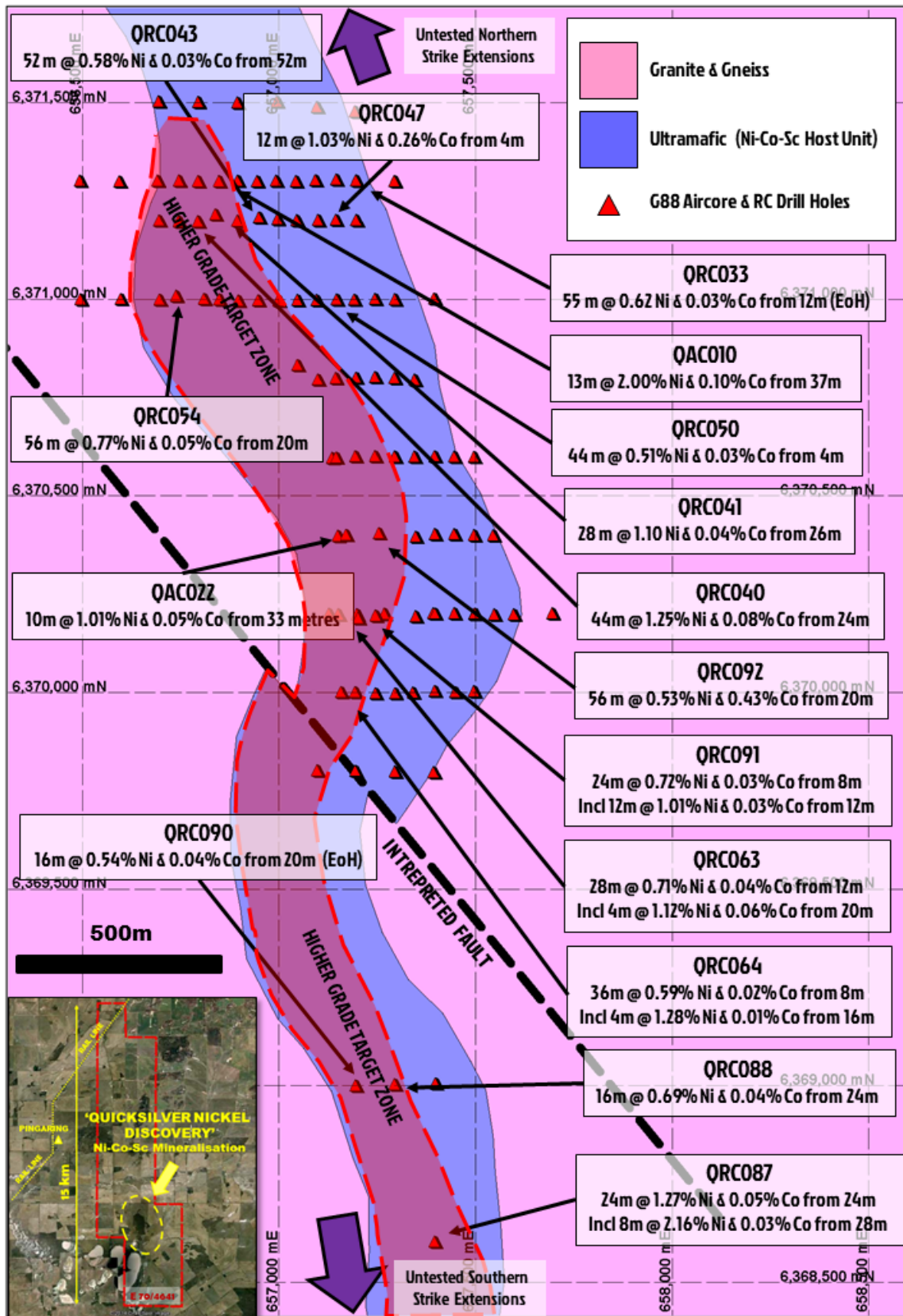


Figure 4 – Aircore & RC drill hole locations with significant nickel & cobalt intercepts over interpreted geology, with higher-grade target zone (red).

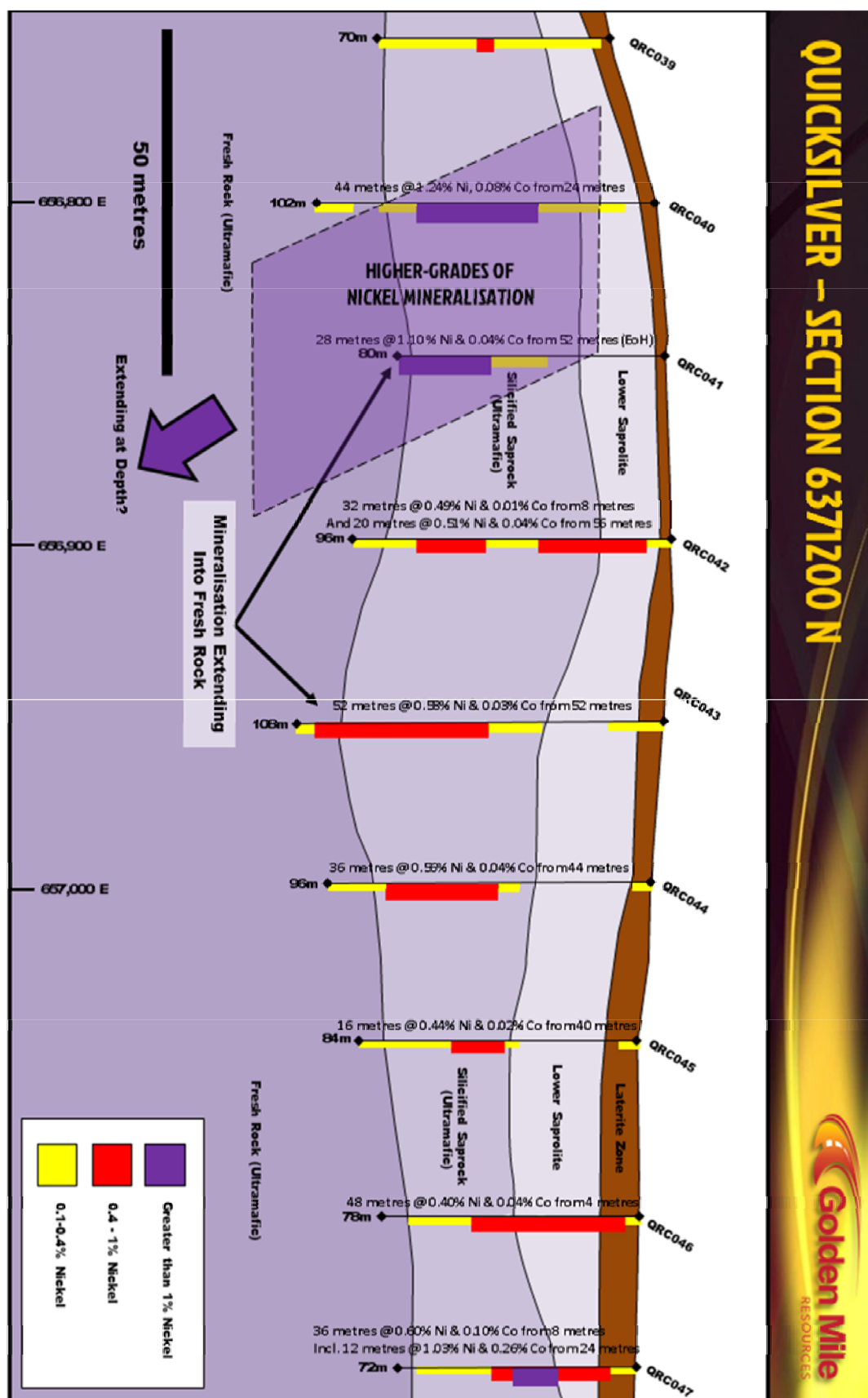


Figure 5 – Representative & Interpreted cross section for RC drill line 6,371,200 N showing geology, mineralised intercepts and higher-grade target zone in the west.

1.3 Quicksilver RC Resample

Resampling of the RC drilling program was completed in mid-December 2017. Anomalous composite samples (>1,000 ppm Nickel and/or 100 ppm Cobalt) were resampled using one metre splits. It is worth noting that of the more than 4,800 metres of RC drilled, over 4,200 metres were resampled, representing **over 87%** of the total meterage. The resampling shows the highly anomalous nature of the host ultramafic unit at Quicksilver.

The high volume of samples resulted in the assay program at being divided up into four batches, with the results from the batches one and two having now been reported to the Company - these two batches cover assaying from drill holes QRC0027-0041.

The resampling has confirmed, and in many cases extended, the recognised nickel and cobalt mineralisation with the profile at Quicksilver.

Significant nickel intercepts include:

QRC033	54 metres @ 0.66% Nickel & 0.03% Cobalt	from 13 metres
Including	10 metres @ 1.35% Nickel & 0.07% Cobalt	from 14 metres
QRC040	42 metres @ 1.14% Nickel & 0.06% Cobalt	from 26 metres
Including	10 metres @ 2.10% Nickel & 0.10% Cobalt	from 55 metres
With	2 metres @ 3.30% Nickel & 0.14% Cobalt	from 57 metres
QRC041	31 metres @ 0.93% Nickel & 0.05% Cobalt	from 49 metres
Including	12 metres @ 1.23% Nickel & 0.07% Cobalt	from 52 metres
And	3 metres @ 1.08% Nickel & 0.02% Cobalt	from 77 metres*

**This intercept in the bottom of the drill hole and indicates that the nickel mineralisation extends into fresh rock.*

Notable cobalt intercepts include:

QRC034	10 metres @ 0.08% Cobalt & 0.76% Nickel	from 39 metres
QRC036	19 metres @ 0.06% Cobalt & 0.35% Nickel	from 43 metres
QRC040	33 metres @ 0.07% Cobalt & 1.35% Nickel	from 34 metres
QRC041	15 metres @ 0.08% Cobalt & 1.07% Nickel	from 49 metres
Including	5 metres @ 0.13% Cobalt & 0.80% Nickel	from 50 metres

Figure 6 shows the locations of the AC & RC drill holes in the northern prospect area with significant intercepts from drill holes QRC027-041.

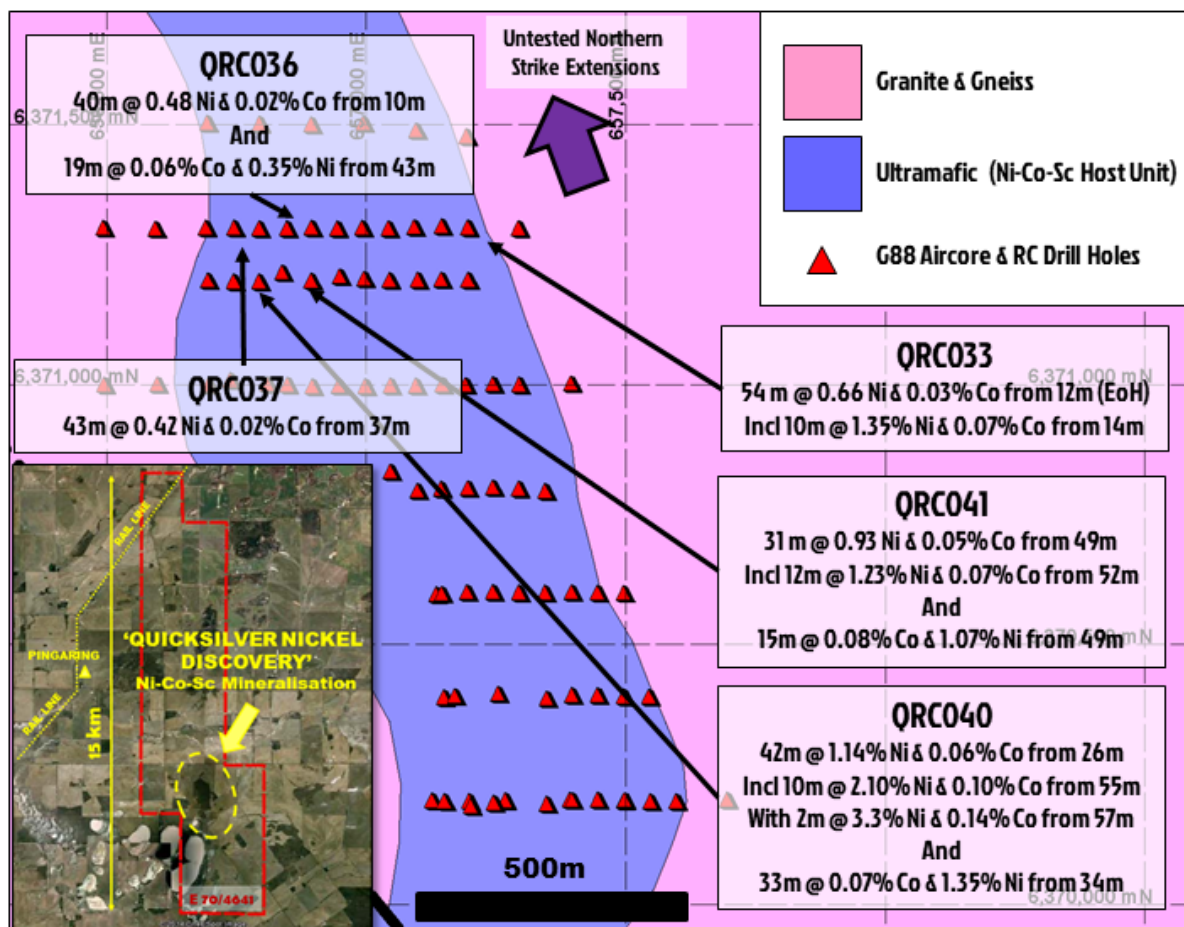


Figure 6 – Aircore & RC drill hole locations with significant nickel & cobalt intercepts from resampling of drill holes QRC0027 to 0041

1.4 Quicksilver Geophysical Program

Specialist consultants, NewExco, were appointed in November 2017 to oversee the geophysical exploration program at Quicksilver. They have made a number of recommendations to the Company to assist in the ongoing exploration program, with the completion of a Moving Loop Electromagnetic survey being a priority.

The MLEM survey commenced in mid-December 2017 and was completed in mid-January 2018, following a short break over the Christmas-New Year period. The survey was extended beyond its original boundaries to cover target areas to the north and covered more than 5 km of strike, comprising 25 'line' kilometres and 279 stations (Figure 7).

NewExco will model and evaluate the MLEM and is expected to report on the results of the program in the first quarter of 2018.



Figure 7 – Planned MLEM stations (red points) over satellite image with superimposed magnetic image

Golden Mile looks forward to reporting further on the Quicksilver Nickel-Cobalt discovery as results continue to be received through 2018. In addition, extensional RC drilling is scheduled to commence during the first quarter of 2018.

2. Leonora East Gold Project

Exploration at Leonora East during the reporting period has included mapping and prospecting on the northern tenement areas (Figure 8). This work has identified an extensive gold trend, featuring high-grade gold (in the form of nuggets) and a large number of historical gold workings, most of which have not previously been recorded, surveyed or explored utilising modern exploration techniques - this trend has been named the Monarch Gold Trend.

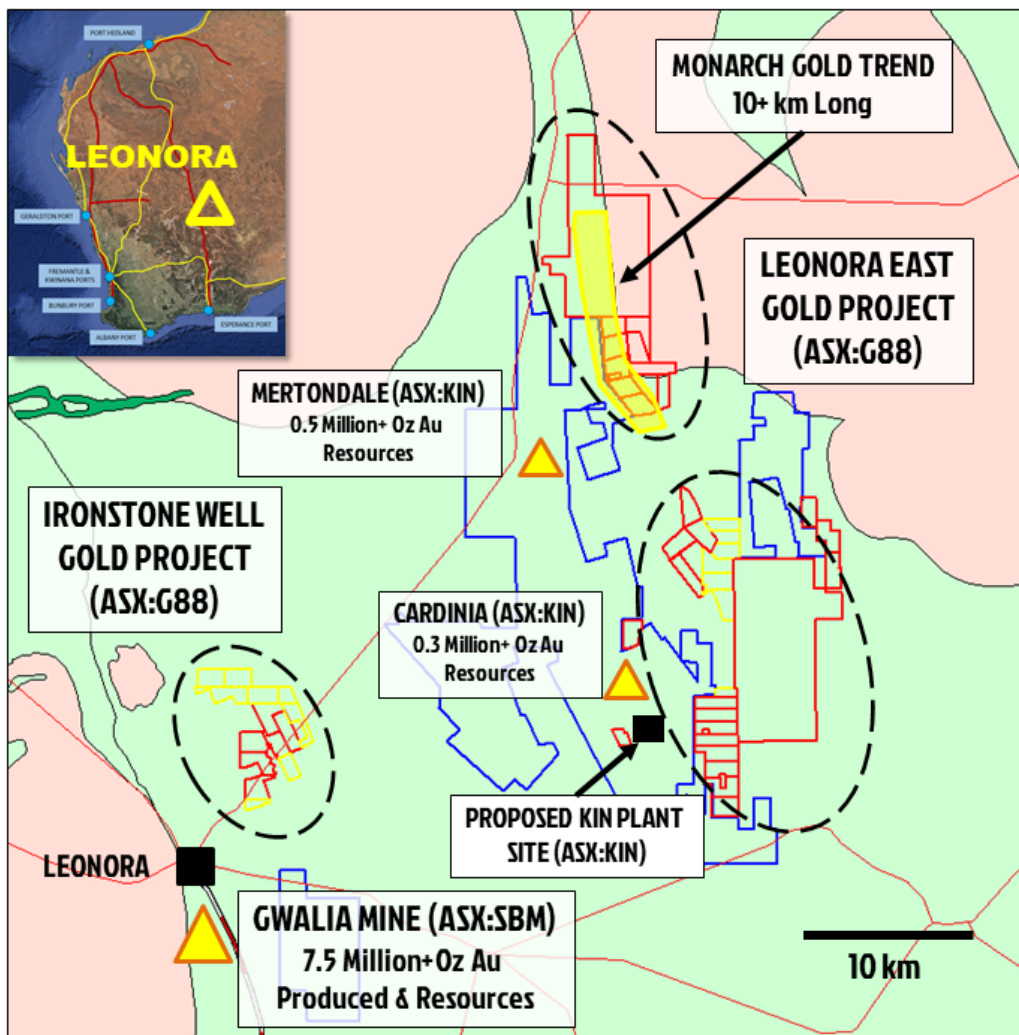


Figure 8 – Major gold operations, Golden Mile Tenure (Red & Yellow), KIN Mining project outlines (Blue) & Monarch Gold Trend Location

2.1 The Monarch High-Grade Gold Trend

Golden Mile's recent work program in the Leonora East project area has included:

- **Geological Reconnaissance;**
- **Surveying of Historical Workings; and**
- **Prospecting and Sampling**

The Monarch Gold Trend, covers more than ten kilometres of strike and appears to follow the granite contact of the greenstone belt on the eastern side of Golden Mile's tenure. The Trend is

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REVIEW OF OPERATIONS**

characterised by shearing and faulting carrying significant mineralisation, including high-grade gold in the form of nuggets.

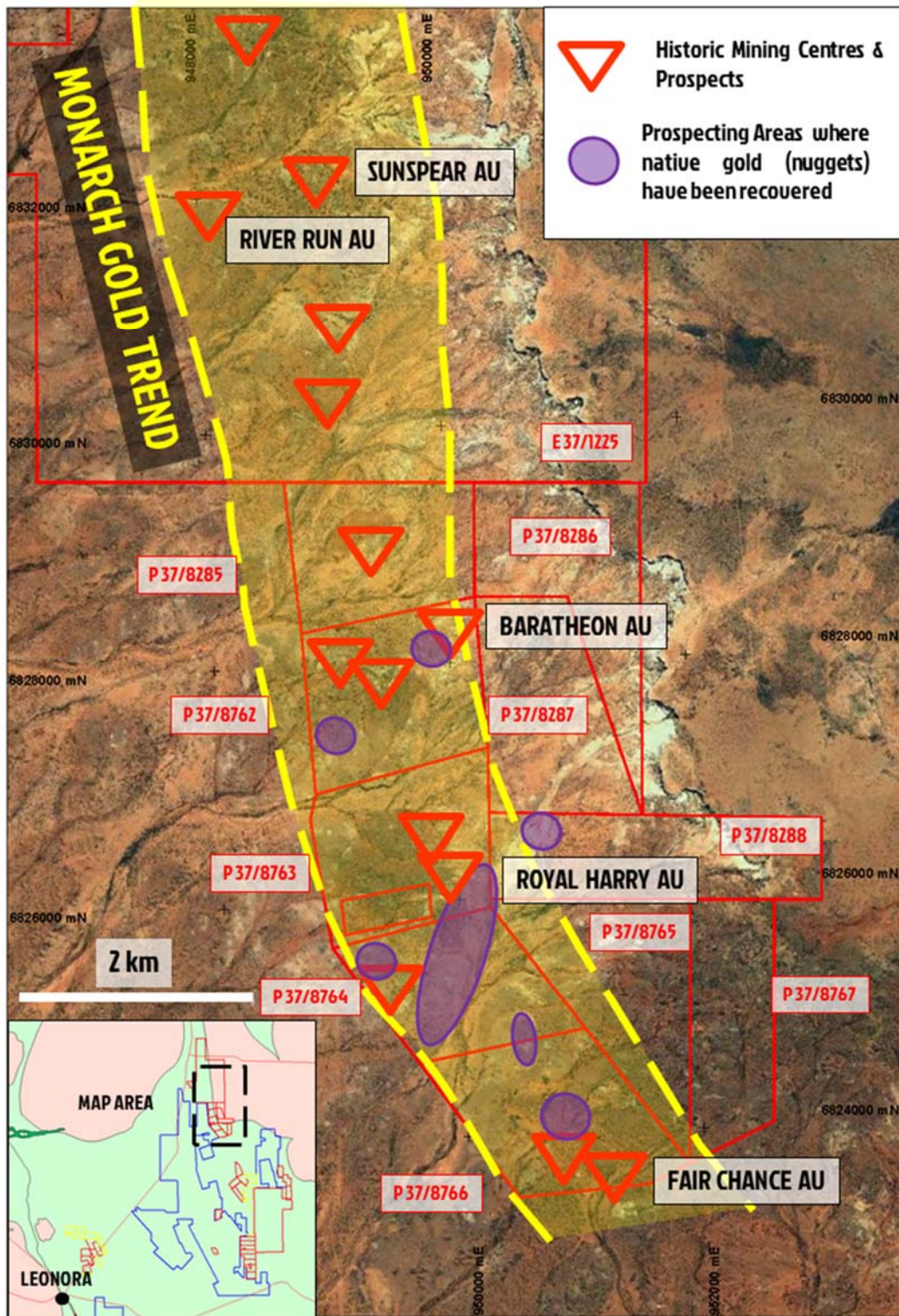


Figure 9 – Google Earth imagery of the Monarch Gold Trend showing G88 tenements (red), historic mining areas (orange) and areas where gold nuggets have been recovered (purple).

The Monarch Trend hosts numerous historic gold workings and small-scale mines (more than 200 recorded occurrences), whose operation dates back over 100 years. Many of these workings have NOT previously been recognised, mapped or surveyed prior to Golden Mile's recent work program (Figure 9).

These workings extend north of 'Sunspear' to 'Fair Chance' in the south (Figure 9) and include:

- **Sunspear:** Extensive historic workings over more than 500 metres of strike, with geochemistry showing anomalous gold and platinum group elements – yet to be drill tested (Figure 10).
- **Baratheon:** Historic workings and small-scale gold mines over more than 500 metres of strike – yet to be drill tested.
- **Royal Harry:** Historic gold workings and small-scale mines over more than 700 metres of strike. Recent prospecting around Royal Harry, and adjacent workings, has unearthed **numerous gold nuggets (Figure 11)**, indicating the presence of near surface, high-grade gold within the mineralised system.



Figure 10 – Workings at 'Sunspear' on the northern Monarch Gold Trend (looking south).

Prospecting, to date, has been largely confined to the southern half of the Monarch Gold Trend, with detecting uncovering more than **70 gold nuggets**, of varying sizes and weights but accounting for over an ounce of gold, predominantly within the area between the 'Royal Harry' and 'Fair Chance' workings (Figure 9 & 11).

The Monarch Gold Trend remains largely untested by modern exploration methods with Golden Mile's present exploration program directed towards delineating targets for drill testing.



Figure 11 – Gold nuggets recovered from the area south of the ‘Royal Harry’ workings.

2.2 ‘Premium-Grade’ Rock Chip Sampling

An evaluation of previous exploration revealed that prospecting teams have undertaken rock chipping sampling through the southern Monarch Trend, extending from ‘Fair Chance’ in the south, through to ‘Baratheon’ in the north (Figure 12).

This sampling program produced 150 rock chip samples through the Trend, of which more than 50 samples returned assays of over 1 gpt gold (Figure 12), with 7 samples returned ‘premium-grade’ (greater than 25 gpt) gold assays, including:

Prospect	Sample No	MGA North	MGA East	Gold (gpt)	Gold Rpt (gpt)
Royal Harry	MR37	6834105	363200	133.78	118.78
Royal Harry	MR29	6834223	363009	111.77	125.83
Baratheon	MR4	6836262	363031	55.64	65.67
Royal Harry	MR41	6834090	363305	51.93	63.9
Royal Harry	MR31	6834192	363010	49.58	70.81
Baratheon	MR3	6836272	363059	32.88	30.32
Royal Harry	MR110	6833212	364190	30.53	33.57

This rock chip sampling program tested the surface and outcropping mineralisation associated with many of the historic gold workings through the southern Monarch Trend. A field team is presently evaluating the area between ‘Baratheon’ and ‘Sunspear’ in the north of the Trend (Figure 9).

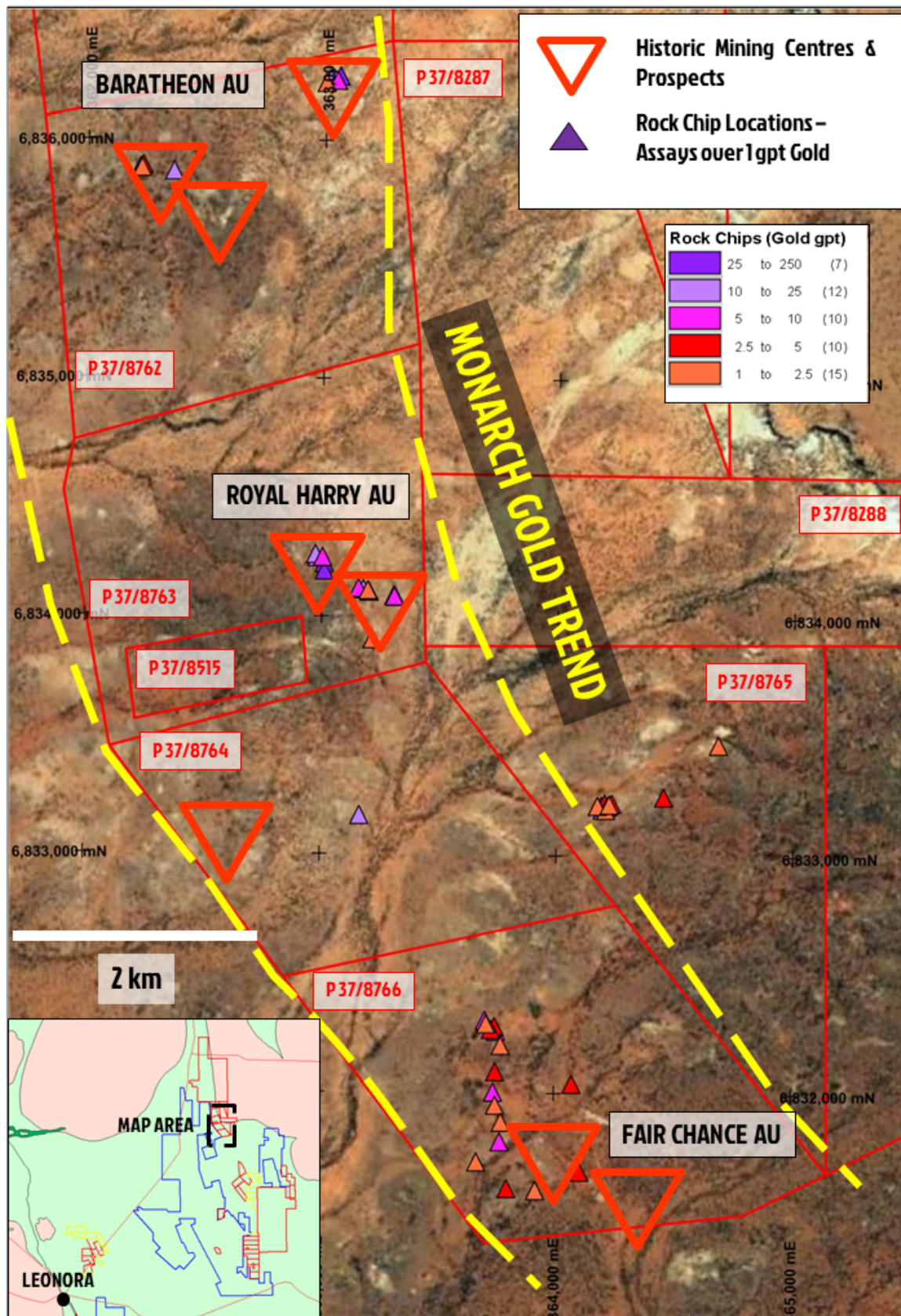


Figure 12 – Google Earth imagery of the Monarch Gold Trend showing G88 tenements (red), historic mining areas (orange) and colour coded rock chip locations.

2.3 Strategic Tenements Added to Leonora East Project

Golden Mile has recently applied for an additional 8 prospecting leases adjacent to its southern tenement holdings near Benalla Hill (Figure 13). These leases bring additional continuity to project area and cover several targets being evaluated for detailed testing.

Further information will be made available as targeting advances over these areas and these leases move towards being granted in the coming months.

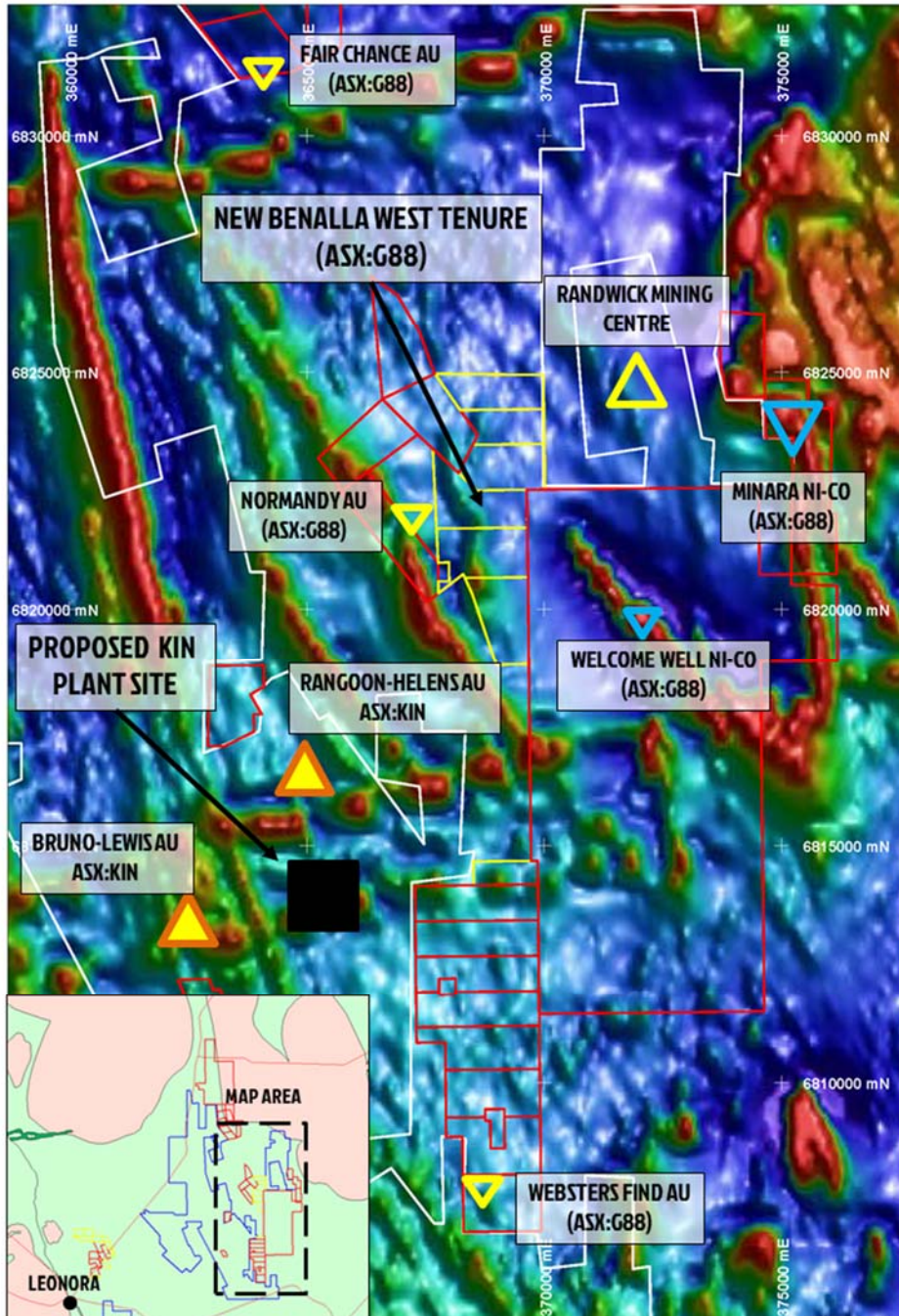


Figure 13 – Additional tenure recently pegged at Benalla, in the southern Leonora East Project area, with prospects and resources.

Red Outlines – Golden Mile Tenure, Yellow Outline – New Golden Mile Tenure, White Outline – KIN Mining Tenure

2.4 Ongoing Work Program at Leonora East

Golden Mile's exploration program at Leonora is focused on identifying targets for drill testing and rapid conversion to resources for development. These activities will include:

- **Project Generation & Acquisition**
- **Detailed Research & Data Review**
- **Mapping & Surveying**
- **Geophysical Data Acquisition & Interpretation**
- **Rock Chipping & Soil Sampling**

This work will assist in defining targets for drill testing and potential development. The proximity of the Monarch Trend to KIN Mining NL's Mertondale-Cardinia projects makes it a compelling target for ongoing exploration.

3. Ironstone Well Gold Project

A short RC program was completed over the 'Natasha Prospect' at Ironstone Well during the fourth quarter of 2017 (Figure 14). A short program of shallow RC drilling has been completed over the Natasha prospect, at Ironstone Well. This drilling was designed to test and infill, several phases of drilling undertaken by previous workers, some of which had intersected high-grade gold mineralisation.

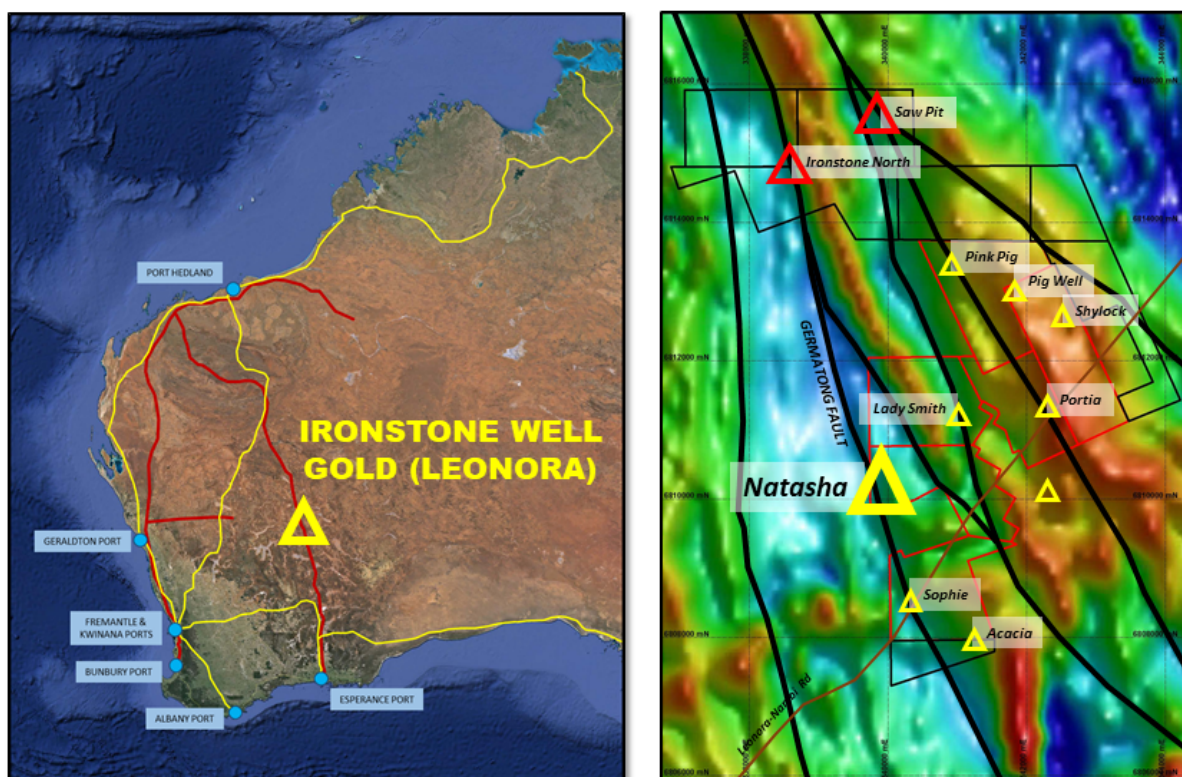


Figure 14 – Ironstone Well project location (left) with tenure and prospects over a magnetic image (right).

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A program of 19 RC holes was completed for 1,227 metres, with several holes intersecting significant grades of gold mineralisation, including:

IRC001	1 metre @ 2.28 gpt Gold from 19 metres
IRC002	7 metres @ 4.16 gpt Gold from 17 metres
Including	2 metres @ 11.35 gpt Gold from 28 metres
IRC011	4 metres @ 1.49 gpt Gold from 82 metres
IRC015	4 metres @ 1.51 gpt Gold from 44 metres
IRC017	1 metre @ 2.37 gpt Gold from 49 metres
And	1 metre @ 4.44 gpt Gold from 56 metres

A review of the exploration data is now being undertaken to assist in the planning follow up drilling, as required.

4. Ongoing Exploration Program

Golden Mile will continue its exploration program, targeting both nickel-cobalt and gold mineralisation, with the work program to include:

4.1 Quicksilver Nickel-Cobalt – SW Mineral Field

- Extensional RC drilling to augment existing 200 x 50 metre drill pattern
- Testing of deeper MLEM geophysical targets
- Estimation of JORC Resource for the components to the saproilitic nickel-cobalt mineralisation
- Preliminary Metallurgical Test Work

4.2 Ironstone Well Gold – Leonora Region, NE Goldfields

- Evaluation of recent RC drilling and mineralisation at the Natasha prospect

4.3 Leonora East Gold – Leonora Region, NE Goldfields

- Surveying and evaluation of high-grade gold locations, including mine workings
- Detailed analysis and target generation for exploration, including drilling
- Data compilation & evaluation

4.4 Darlot Gold – Leonora Region, NE Goldfields

- Prospecting and near surface gold mineralisation evaluations
- Data compilation & evaluation to target ongoing exploration

4.5 Gidgee Multi-Element Project – Northern Yilgarn

- Data compilation & evaluation to target ongoing exploration

Golden Mile looks forward to updating investors as the Company's exploration program progresses through 2018.

All material exploration results have previously been reported in separate ASX releases. For more information please visit the Company's website: <https://www.goldenmileresources.com.au/>

GOLDEN MILE RESOURCES LIMITED

REVIEW OF OPERATIONS

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon information compiled by Mr Timothy Putt, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Putt is the Managing Director of Golden Mile Resources Ltd, a full-time employee and substantial shareholder of the Company.

Mr Putt 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'. Mr Putt consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

GOLDEN MILE RESOURCES LIMITED DIRECTORS' REPORT

The Directors of Golden Mile Resources Limited (the "Company") submit herewith the Financial Report on the Company for the half year ended 31 December 2017.

To comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

Details of the Directors of the Company in office at any time during or since the end of the financial period and at the date of this report are:

Mr R Grivas	Non-Executive Chairman
Mr T Putt	Executive Director
Mr P Grundy	Non-Executive Director
Dr K L Choo	Non-Executive Director

Company Secretary

Mr J Stedwell	Company Secretary
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Principal Activities

Golden Mile Resources Ltd was incorporated on 30 August 2016. On 19 June 2017, the Company listed its shares on the ASX via an Initial Public Offering.

The Company owns several resource tenements in Western Australia and is actively exploring the tenements for gold, nickel and cobalt and related resources.

Operating Results and Financial Position

During the period, the Company made a loss \$435,925. The focus during the period was on exploration activities and securing tenements for exploration.

During the period the Company spent \$863,580 on exploration activities. A summary of the Company's exploration activities precedes this report. Additional capital of \$90,000 was raised from the exercise of options, with 300,000 ordinary shares issued after the balance date.

As a result of operations, the Company's net assets amounted to \$4,361,699, including current assets of \$3,048,662. Exploration assets amounted to \$1,438,930. The Company expended \$430,564 and \$901,101 on operating and investing activities respectively during the period, with cash and cash equivalents closing at \$2,940,180.

After Balance Date Events

Other than the matters noted in the review of Operating Results and Financial Position above, the Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Environmental Regulations

The Company's activities involve exploration activities on WA mining tenements and therefore would be subject to the WA laws and regulations relating to such activities including environmental approvals as may be required from time to time under the *Mining Act 1978*.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21.

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT**

Signed in accordance with a resolution of the Directors made pursuant to s.303 (4) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'R Grivas', with a long horizontal stroke extending to the right.

Mr R Grivas
Non-Executive Chairman
16 March 2018

Auditor's Independence Declaration

As lead auditor for the review of the half-year financial report of Golden Mile Resources Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



**HLB Mann Judd
Chartered Accountants**

**Melbourne
16 March 2018**



**Jude Lau
Partner**

HLB Mann Judd (VIC Partnership)

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Liability limited by a scheme approved under Professional Standards Legislation

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	31 December 2017	30 August 2016 to 31 December 2016
Note	\$	\$
Continuing operations		
Interest income	30,321	456
Exploration expenditure	(39,516)	(25,576)
General and administrative expenses	(60,250)	-
Corporate expenses	(327,775)	(120,176)
Other expenses	(38,705)	-
Loss before income tax	(435,925)	(145,296)
Income tax expense	-	-
Net Loss for the period	(435,925)	(145,296)
Other Comprehensive income/(loss)		
Other comprehensive loss net of tax	-	-
Total comprehensive (loss)	(435,925)	(145,296)
Net (loss) for the period is attributable to:		
Non-controlling interest	-	-
Owners of Golden Mile Resources Limited	(435,925)	(145,296)
	(435,925)	(145,296)
Total comprehensive (loss) for the period is attributable to:		
Non-controlling interest	-	-
Owners of Golden Mile Resources Limited	(435,925)	(145,296)
	(435,925)	(145,296)
Basic (loss) per share (cents per share)	8 (0.84)	(0.77)
Diluted (loss) per share (cents per share)	8 (0.84)	(0.77)

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	31 December 2017 31	30 June 2017 \$
Current Assets			
Cash and cash equivalents	3	2,940,180	4,439,575
Trade and other receivables		82,081	29,669
Prepayment		26,401	5,949
Total Current Assets		3,048,662	4,475,193
Non-Current Assets			
Exploration and evaluation assets	2	1,438,930	575,350
Total Non-Current Assets		1,438,930	575,350
Total Assets		4,487,592	5,050,543
Current Liabilities			
Trade and other payables		125,893	389,523
Total current liabilities		125,893	389,523
Total Liabilities		125,893	389,523
Net Assets		4,361,699	4,661,020
Equity			
Issued capital	4	4,998,570	4,910,592
Accumulated losses		(848,644)	(412,719)
Reserves	5	211,773	163,147
Total Equity		4,361,699	4,661,020

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Issued capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
At 30 August 2016	-	-	-	-
Loss for the period	-	-	(145,296)	(145,296)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(145,296)	(145,296)
Transactions with owners in their capacity as owners:				
Issue of share options, net of costs	840,461	-	-	840,461
Share based payments	-	51,600	-	51,600
As at 31 December 2016	840,461	51,600	(145,296)	746,765
	Issued capital	Reserves	Accumulated losses	Total
	\$	\$	\$	\$
At 1 July 2017	4,910,592	163,147	(412,719)	4,661,020
Loss for the period	-	-	(435,925)	(435,925)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	(435,925)	(435,925)
Transactions with owners in their capacity as owners:				
Issue of shares upon exercise of share options, net of costs	87,978	-	-	87,978
Share based payments	-	48,626	-	48,626
As at 31 December 2017	4,998,570	211,773	(848,644)	4,361,699

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	31 December 2017	30 August 2016 to 31 December 2016
Note	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(452,411)	(127,103)
Interest received	21,847	456
Net cash (used in) operating activities	<u>(430,564)</u>	<u>(126,647)</u>
Cash flows from investing activities		
Exploration and evaluation expenditure	<u>(901,101)</u>	<u>(55,000)</u>
Net cash (used in) investing activities	<u>(901,101)</u>	<u>(55,000)</u>
Cash flows from financing activities		
Proceeds from issue of shares	90,000	452,961
Cost of issuing shares	<u>(257,730)</u>	-
Net cash (used in) / provided by financing activities	<u>(167,730)</u>	<u>452,961</u>
Net (decrease) / increase in cash held	(1,499,395)	271,314
Cash and cash equivalents at the beginning of the period	<u>4,439,575</u>	-
Cash and cash equivalents at the end of the period	<u>2,940,180</u>	<u>271,314</u>

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

1. BASIS OF PREPARATION

This general purpose interim financial report for the half-year ended 31 December 2017 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* as appropriate for profit-oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include all the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

It is recommended that the half-year report be read in conjunction with the annual report for the period ended 30 June 2017 and considered together with any public announcements made by the Company during the half-year ended 31 December 2017 in accordance with the continuous disclosure obligations of the ASX listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

The financial statements were authorised for issue by the Directors on 16 March 2018.

The Company's principle activities are the exploration for and evaluation gold and other related resources in Western Australia.

Comparatives

The Company was incorporated on 30 August 2016 and, therefore, the comparative period is for the period from 30 August 2016 to 31 December 2017.

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. EXPLORATION AND EVALUATION ASSETS

	31 December 2017	30 June 2017
(a) Reconciliation of movements during period	\$	\$
Costs carried forward in respect of areas of interest at cost	575,350	-
Exploration assets acquired during the period (a)	-	553,846
Exploration and evaluation expenditure capitalised during the period	863,580	26,216
Cost of Tenement relinquished	-	(4,712)
	<hr/> 1,438,930 <hr/>	<hr/> 575,350 <hr/>

(b) Critical Judgements

The ultimate recoupment of capitalised expenditure in relation to each area of interest is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas the results of which are still uncertain.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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(c) Commitments for expenditure

To maintain current rights of tenure to the exploration tenements, the Company is required to meet the minimum expenditure requirements of the Department of Mining. Minimum expenditure commitments may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts. The Company has committed to spend a total of \$2,094,720 over the periods of the granted permit areas in respect of these exploration programs. Expenditure commitment is for the term of the permit renewal. The total commitment in relation to the permits is as follows: -

	31 December 2017	30 June 2017
	\$	\$
Expenditure commitments within 1 year	533,680	473,120
Expenditure commitments 2 – 5 years	1,561,040	1,166,400
Expenditure commitments over 5 years	-	-
	<u>2,094,720</u>	<u>1,639,520</u>

3. CASH AND CASH EQUIVALENTS

	31 December 2017	30 June 2017
	\$	\$
Cash at bank	331,023	4,426,589
Cash on deposit	2,600,000	-
Trust account	9,157	12,986
	<u>2,940,180</u>	<u>4,439,575</u>

4. ISSUED CAPITAL

(a) Reconciliation of issued capital	31 December 2017		30 June 2017	
	Number of shares	\$	Number of shares	\$
Ordinary shares – fully paid (no par value)	51,825,001	4,910,592	51,825,001	4,910,592
Ordinary shares – unissued and fully paid	300,000	87,978	-	-
Total	<u>52,125,001</u>	<u>4,998,570</u>	<u>51,825,001</u>	<u>4,910,592</u>

	Shares	Price \$	\$
Ordinary shares			
At 30 June 2017	51,825,001		4,910,592
Conversion of options *	300,000	0.30	90,000
Cost of issuing equity	-	-	<u>(2,022)</u>
As at 31 December 2017	<u>52,125,001</u>		<u>4,998,570</u>

* 300,000 ordinary shares were issued upon conversion of share options on 5 January. Notice and funds were received prior to 31 December 2017.

(b) Terms and conditions of issued capital

Ordinary shares

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Every ordinary

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

At 31 December 2017, there were no partly paid shares outstanding. Ordinary shares have no par value. The Company does not have a limit on number of shares authorised.

Share options

Share options do not entitle the holder to participate in dividends and the proceeds on winding up of the Company. The holder is not entitled to vote at General Meetings. During the previous period 4,000,000 unlisted share options were issued to founders and a further 3,350,000 unlisted share options were issued. Notice was provided to convert 300,000 share options prior to 31 December 2017 and funds received. Subsequent to 31 December 2017, 300,000 ordinary shares were issued. As at 31 December there remained 7,050,000 share options outstanding, after allowing for the conversion noted in 4(a) above.

(c) Escrow

At 31 December 2017, there were 600,000 ordinary shares in voluntary escrow until 20 April 2018 and 16,475,000 ordinary shares were in voluntary escrow until 19 June 2019.

In addition, there were 6,350,000 share options in escrow until 19 June 2019 and 1,000,000 share options in escrow until 24 October 2017.

5. RESERVES

		31 December 2017	30 June 2017
		\$	\$
Share based payment reserve		211,773	163,147
<i>Movement in reserve</i>			
Acquisition of exploration and evaluation assets	(b)(i)	51,600	51,600
Key Management Personnel payments - shares	(b)(ii)	33,562	8,356
Key Management Personnel payments – options	(b)(iii)	68,705	45,285
Lead Manager payments	(b)(iv)	57,906	57,906
		211,773	163,147

(a) Nature and Purpose of Reserves

Share based payment reserve

The reserve is used to record the value of equity instruments issued to employees and directors as part of their remuneration, and other parties as part of compensation for their services.

(b) Share based payments

During the previous period, the Company entered into several agreements that included the issue of Company share options in settlement of the Company's obligations. The details of the payments were as follows:

- (i) Acquisition of exploration assets
Pursuant the Legendre Tenement Sale Agreement the Company issued 1,000,000 share options to the Legendre vendors as part payment in exchange for exploration tenements in Western Australia. The share options were valued at \$0.0516 using the binomial model. The options were fully expensed as at 30 June 2017.
- (ii) Key Management Personnel payments – shares
Per Tim Putt's employment agreement 500,000 ordinary shares are to be issued upon the 1st anniversary of the contract. The shares were valued at \$0.10 per share and are expensed over the vesting period. During the period an expense of \$25,205 in relation to the vesting of these shares.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

- (iii) **Key Management Personnel payments – options**
Pursuant to Tim Putt’s employment contract 750,000 share options are to be issued upon the first anniversary of the contract. The share options were valued at \$0.0404 per share option using a binomial model and expensed over the vesting period. During the period an expense of \$15,275 was recorded in relation to the vesting of these share options.
Pursuant to Paul Frawley’s service contract 400,000 share options are to be issued on the first anniversary of the contract. The share options were valued at \$0.0404 per share option using a binomial model and expensed over the vesting period. During the period an expense of \$8,146 was recorded in relation to the vesting of these share options.
Pursuant to Rhoderick Grivas’ executive agreement, 750,000 share options were issued during the previous period. The share options were valued at \$0.0404 per share option using a binomial model and vested immediately. The share options were fully expensed at 30 June 2017.
Phill Grundy was issued with 166,666 share options during the previous period. The share options were valued at \$0.0404 per share option using a binomial model and vested immediately. The share options were fully expensed at 30 June 2017.
- (iv) **Lead Manager payments**
The Company issued 1,433,334 share options to the Lead Manager and its nominees on completion of the IPO, in accordance with the service agreement dated 18 April 2017. These options were fully expensed as at 30 June 2017.

Movements in share options during the period

Input	Tenement options	Key Management Personnel Share options *	Lead manager Share options
Opening balance	1,000,000	4,916,666	1,433,334
Granted during the period	-	-	-
Forfeited during the period	-	-	-
Exercised during the period	(300,000)	-	-
Expired during the period	-	-	-
Outstanding at 31 December 2017	700,000	4,916,666	1,433,334
<i>Exercisable at 31 December 2017</i>	700,000	4,916,666	1,433,334

* 4,000,000 Share options were issued pre-listing to existing shareholders and promoters.

6. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

Other than the exploration commitments set out in note 2 the Company has no other capital commitments.

(b) Finance Lease

There are no commitments relating to finance leases.

(c) Operating leases

The Company has entered a rental lease for the period of 1 year, until 30 June 2018. Rent is set at \$1,150 per month and a car park space of \$499 per month, providing a commitment of \$9,894 at 31 December 2017.

7. SEGMENT INFORMATION

The Company has adopted AASB 8 *Operating Segments* whereby segment information is presented using a ‘management approach’. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The principal business and geographical segment of the Company is mineral exploration within Western Australia.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

The Board of Directors reviews internal management reports at regular intervals that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board of Directors to make strategic decisions including assessing performance and in determining allocation of resources.

8. LOSS PER SHARE

	2017 CENTS	2016 CENTS
Basic (loss) per share	(0.84)	(0.77)
Diluted (loss) per share	(0.84)	(0.77)
	\$	\$
Net loss from continuing operations attributable to the owners of Golden Mile Resources Ltd used in calculation of basic and diluted earnings per share.	(435,925)	(145,296)
	Number	Number
Basic		
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share	51,825,001	18,838,347
Diluted		
Weighted average number of ordinary shares and convertible redeemable cumulative preference shares outstanding and performance rights during the period used in the calculation of basic loss per share	51,825,001	18,838,347

9. DIVIDENDS

No dividends were proposed or paid during the period.

10. EVENTS OCCURRING AFTER REPORTING DATE

The Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

11. CONTINGENT LIABILITIES

There are no other matters which the Company considers would result in a contingent liability as at the date of this report.

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' DECLARATION**

In the opinion of the Directors of Golden Mile Resources Limited (the "Company"):

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Non-Executive Chairman

16 March 2018
Melbourne

Independent auditor's review report to the Members of Golden Mile Resources Limited**Report on the Half-Year Financial Report****Conclusion**

We have reviewed the accompanying half-year financial report of Golden Mile Resources Limited ("the Company"), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Golden Mile Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

HLB Mann Judd (VIC Partnership)

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Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Melbourne
16 March 2018



Jude Lau
Partner

GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS

For the period ended 31 December 2017

PROJECT	TENEMENT	STATUS/GRANT DATE	EXPIRY DATE	% OWNERSHIP	SUBSEQUENT EVENTS
Darlot Gold	E37/1248	05/07/2016	04/07/2021	100%	None
Ironstone Well	P37/7951	12/05/2011	11/05/2019	100%	None
	P37/7952	12/05/2011	11/05/2019	100%	None
	P37/8484	23/01/2015	22/01/2019	100%	None
	P37/8610	20/04/2016	19/04/2020	100%	None
	P37/8611	20/04/2016	19/04/2020	100%	None
	P37/8612	20/04/2016	19/04/2020	100%	None
	P37/9047	01/02/2018	31/01/2022	100%	None
	P37/9048	01/02/2018	31/01/2022	100%	None
	P37/9049	01/02/2018	31/01/2022	100%	None
	P37/9050	01/02/2018	31/01/2022	100%	None
	P37/9051	01/02/2018	31/01/2022	100%	None
	P37/9052	01/02/2018	31/01/2022	100%	None
	P37/9053	01/02/2018	31/01/2022	100%	None
Leonora East	P37/7878	12/04/2011	11/04/2019	100%	None
	P37/8223	21/03/2013	20/03/2021	100%	None
	P37/8298	16/12/2013	15/12/2021	100%	None
	P37/8299	16/12/2013	15/12/2021	100%	None
	P37/8300	16/12/2013	15/12/2021	100%	None
	P37/8301	15/08/2013	14/08/2021	100%	None
	P37/8302	15/08/2013	14/08/2021	100%	None
	P37/8303	15/08/2013	14/08/2021	100%	None
	P37/8304	15/08/2013	14/08/2021	100%	None
	P37/8305	16/12/2013	15/12/2021	100%	None
	P37/8436	28/04/2014	27/04/2018		
	P37/8437	28/04/2014	27/04/2018		
	P37/8768	07/04/2017	06/04/2021	100%	None
	P37/8769	06/04/2017	05/04/2021	100%	None
	P37/8770	06/04/2017	05/04/2021	100%	None
	P37/9054	Application		100%	None
	P37/9055	Application		100%	None
	P37/9056	Application		100%	None
	P37/9057	Application		100%	None
	P37/9058	Application		100%	None
	P37/9059	Application		100%	None
	P37/9060	01/02/2018	31/01/2022	100%	None
	P37/9061	01/02/2018	31/01/2022	100%	None
Gidgee Project	E57/1039-I	19/07/2017	18/07/2022	100%	None
	E57/1040-I	17/07/2017	16/07/2022	100%	None
Kaikoura project	E37/1215	26/08/2015	25/08/2020	100%	None
	P37/8755	13/03/2017	12/03/2021		
	P37/8756	13/03/2017	12/03/2021	100%	None
	P37/8757	13/03/2017	12/03/2021	100%	None
Quicksilver Project	E70/4641	7/10/2014	6/10/2019	100%	None
	P70/1723	Application			

**GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS**

Leonora North	E37/1225	01/12/2015	30/11/2020	100%	None
	P37/8285	16/04/2013	15/04/2021	100%	None
	P37/8286	16/04/2013	15/04/2021	100%	None
	P37/8287	16/04/2013	15/04/2021	100%	None
	P37/8288	16/04/2013	15/04/2021	100%	None
	P37/8515	05/06/2015	04/06/2019		
	P37/8762	06/04/2017	05/04/2021	100%	None
	P37/8763	06/04/2017	05/04/2021	100%	None
	P37/8764	06/04/2017	05/04/2021	100%	None
	P37/8765	06/04/2017	05/04/2021	100%	None
	P37/8766	06/04/2017	05/04/2021	100%	None
	P37/8767	06/04/2017	05/04/2021	100%	None

Board of Directors

Mr Timothy Putt (Executive Director)
Mr Rhoderick Grivas (Non-Executive Chairman)
Mr Phillip Grundy (Non-Executive Director)
Dr Koon Lip Choo (Non-Executive Director)

Company Secretary

Mr Justyn Stedwell

Registered Office

1B/205 – 207 Johnston Street
Fitzroy, VIC 3065 AUSTRALIA
Phone: (03) 9041 6663

Principal Place of Business

1B/205 – 207 Johnston Street
Fitzroy, VIC 3065 AUSTRALIA

Share Registry

Automic Registry Services
Level 3, 30 Holt Street
Surry Hills, NSW 2012, AUSTRALIA
Telephone: 1300 288 664 (local) +61 2 9698 5414 (international)

Auditor

HLB Mann Judd
Level 9, 575 Bourke Street
Melbourne VICTORIA 3000 AUSTRALIA

Independent Geologist

SRK Consulting (Australasia) Pty Ltd
Level 1, 10 Richardson Street
West Perth, WA 6005, AUSTRALIA

Solicitors to the Company

Moray & Agnew Lawyers
Level 6, 505 Little Collins Street
Melbourne, VIC 3000, AUSTRALIA

Independent solicitor reporting on tenements

Kings Park Corporate Solicitors
Level 2, 45 Richardson Street
West Perth, WA 6005, AUSTRALIA

Stock Exchange Listing

Golden Mile Resources Limited shares are listed on the Australian Securities Exchange, code G88.