Gold Mountain Limited

ASX RELEASE

9th April 2019

NEW TENEMENT GRANTED OVER HIGHLY PROSPECTIVE GROUND

Highlights

- **Four of GMN's tenements which comprise the Wabag Project have been renewed for an additional 2-year period**
- **Warden's hearings prior to the grant of the renewals were held in October 2018 and received overwhelming community support for GMN**
- **An additional tenement (EL2522) has been granted to a 100%-owned subsidiary of GMN, effectively doubling the area of prospective ground held by GMN**
- **Two additional tenements (ELA2565 and ELA2563) are awaiting ministerial approval after being recommended for grant by the MRA**

Tony Teng, Managing Director, commented: *"This is exciting news for Gold Mountain; the renewal of four of our tenements without objections from either the MRA or the local community indicates the high level of trust the government and people of Enga have in Gold Mountain. The grant of EL2522 has effectively doubled the exploration ground GMN now holds, and this area will further increase once the additional two tenements are granted"*.

He further added: *"Our geologists have determined this new area to be prospective for porphyry and epithermal style mineralisation and the company is looking forward to getting boots on the ground as soon as possible to identify new prospects which will completement and enhance the company's existing portfolio of prospects".*

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Doug Smith, GMN's technical director was equally enthusiastic about the grant of the new tenement: *"This is ground we have been eyeing up for a long time, and the granting of this tenement will allow us to send our field teams onto the ground and properly assess the areas of interest we identified in the historical data prior to applying for this tenement".*

New Tenements

Gold Mountain Limited (ASX:GMN) ("Gold Mountain" or "the Company") is pleased to announce that the tenement renewals for four tenements which comprise a significant part of the Wabag Project were approved by the Mining Minister on the 05 March 2019.

The tenements previous expiry dates were in 2017 and 2018 (see Table 1); however, under the PNG Mining Act (1992), exploration can continue while renewal applications are processed and ratified. The renewals were granted after successful warden's hearings were completed by MRA in October 2018. At the hearings, no objections were raised by the local populace, who expressed their confidence in GMN and were happy for exploration to continue on their land.

Table 1: Schedule of GMN tenements recently renewed or granted.

Licence No.	Licence Name	Licence Effective Date	Previous Expiry Date	Renewal/Grant Notification Date	Current Expiry Date	Status
EL1966	Wabag 1	27/06/2013	27/06/2017	05/03/2019	26/06/2019	Renewed-Active
EL1967	Wabag 2	28/11/2013	27/11/2017	05/03/2019	27/11/2019	Renewed-Active
EL1968	Wabag 3	28/11/2013	27/11/2017	05/03/2019	27/11/2019	Renewed-Active
EL2430	Meriamanda	28/05/2016	27/05/2018	05/03/2019	27/05/2020	Renewed-Active
EL2522	Wapenamanda	25/02/2019	n/a	05/03/2019	24/02/2021	Granted - Active

In additional to the renewal of the tenements, an additional tenement, EL2522, was granted. This tenement is held by GMN 6768 (PNG) Ltd, a wholly owned subsidiary of GMN. A map showing the tenement status of GMN's tenements is presented in Figure 1.

EL2522 is located south of ELs 1967 and 1968 and covers an area of 838.54 km^2. The ground is considered prospective for both porphyry and epithermal style mineralisation. EL2522 is underlain by NW – SW striking calc-arenites and calcareous shales which have been intruded by Pilocene diroirites. These diorite intrusives are associated with NE – SW lineaments which are visible in the airborne magnetic data.

Major NW–SE-trending lineaments have been observed in the airborne data bisecting EL2522. Many of the world-class mines discovered in PNG are positioned on or near one of these large north-east trending structural lineaments. They are invariably orogen-scale lineaments and are widely believed to focus heat, intrusives and fluid flow, thereby significantly increasing the potential for economic gold and copper mineralisation to occur and that fact that they are evident on EL2522 makes the ground highly prospective.

GMN will undertake a detailed review of all the historical exploration data which will enable the company to identifying priority area within the EL which will be targeted first. Field work is expected to commence in Q3 or Q4 of 2019 after community awareness and education programmes have been completed. A geology map of EL2522 is presented in Figure 2.

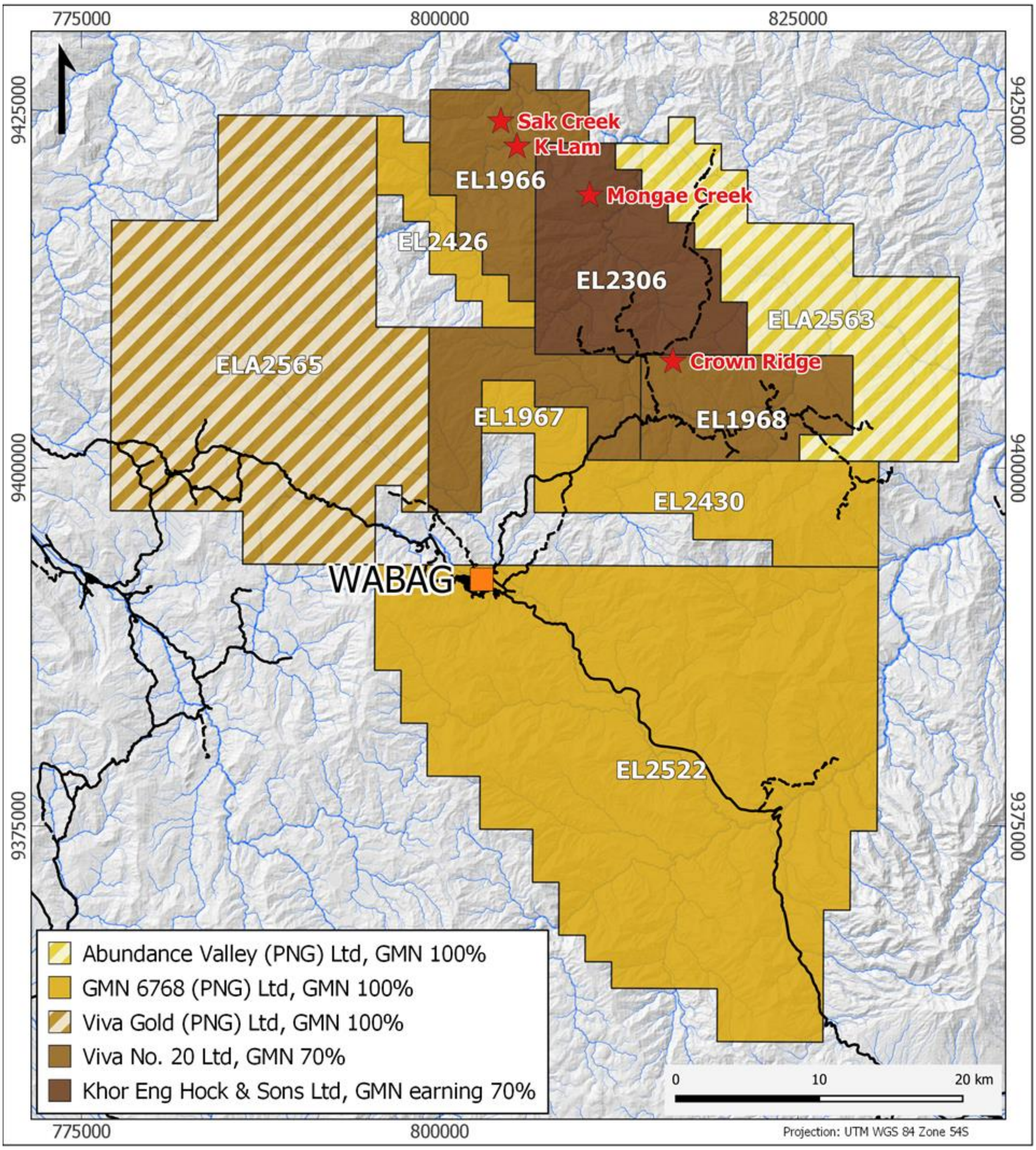

Figure 1: GMN Wabag Project – Tenement Details as of April 2019.

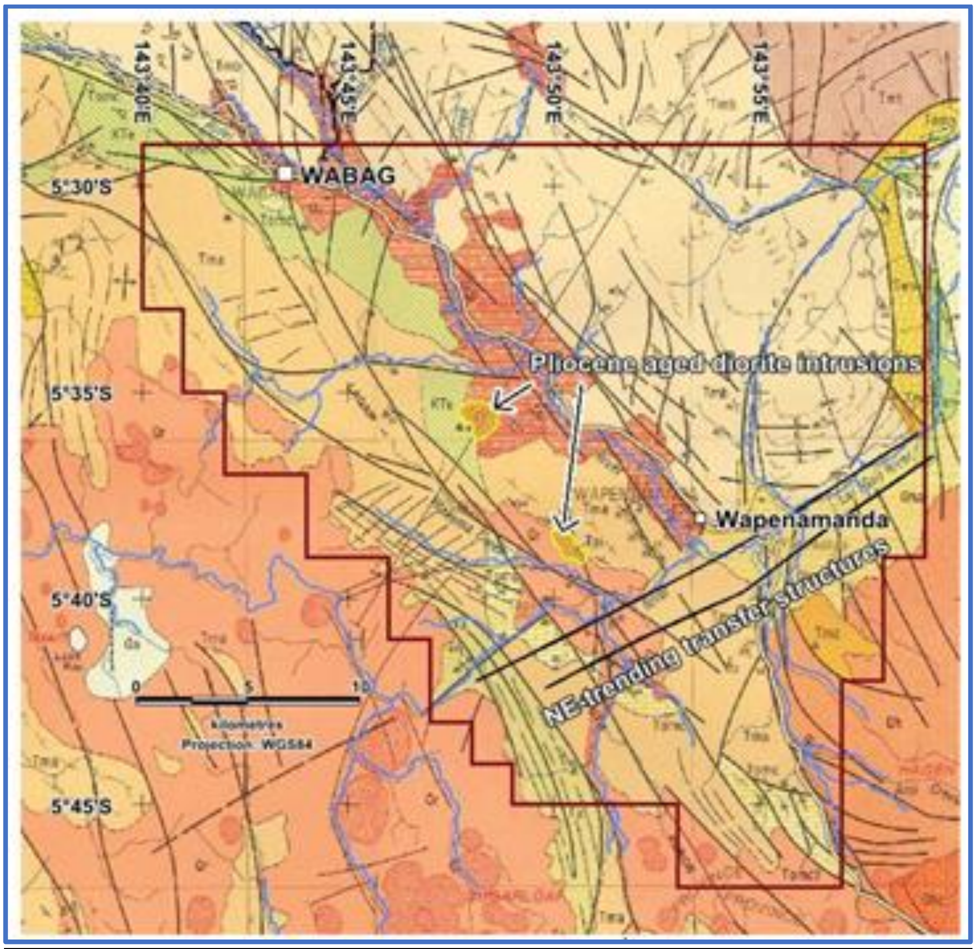

Figure 2: EL2522 – Geology – showing prospective NW – SE lineament.

END

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

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About Gold Mountain

Gold Mountain holds substantial areas within the fertile Au-Cu-endowed Papuan Mobile Belt that includes world-class mines (Figure 3). Most of the areas within the Exploration Licences (ELs) have never been explored using modern technology. Multiple targets have been identified within the licence area of approximately 2,000 km^2 (Figure 1). Current exploration focus is on four main prospects:

- **Mongae Creek** – discovery of outcropping porphyry Cu-Au style mineralisation, mapping and stream sampling indicate that there is good potential for a large-tonnage deposit in this area. Initial drilling identified the existence of porphyry-style mineralisation. Results from the drilling and surface geochemical sampling programmes, now underway, will allow the company to better target future drilling.
- **Sak Creek** – mapping at Sak Creek has identified an alteration halo which has the characteristics of a porphyry system, and follow-up field activities are being planned to further confirm this.
- **K-Lam** – early-stage exploration identified strongly mineralised rock chip samples from rocks that are consistent with the intrusives that were drilled in diamond drill holes at Mongae Creek.
- **Crown Ridge –** field programmes have identified part of the catchment area where the source of abundant fine and coarse gold is likely to occur; current exploration working-up to hard-rock drilling targets, expected to be of high-grade epithermal nature.

Large areas remain to be assessed. A video is now available on the Company's website and via social media sites (here). The video includes interviews with the senior leadership team describing what makes Wabag a unique Cu-Au asset.

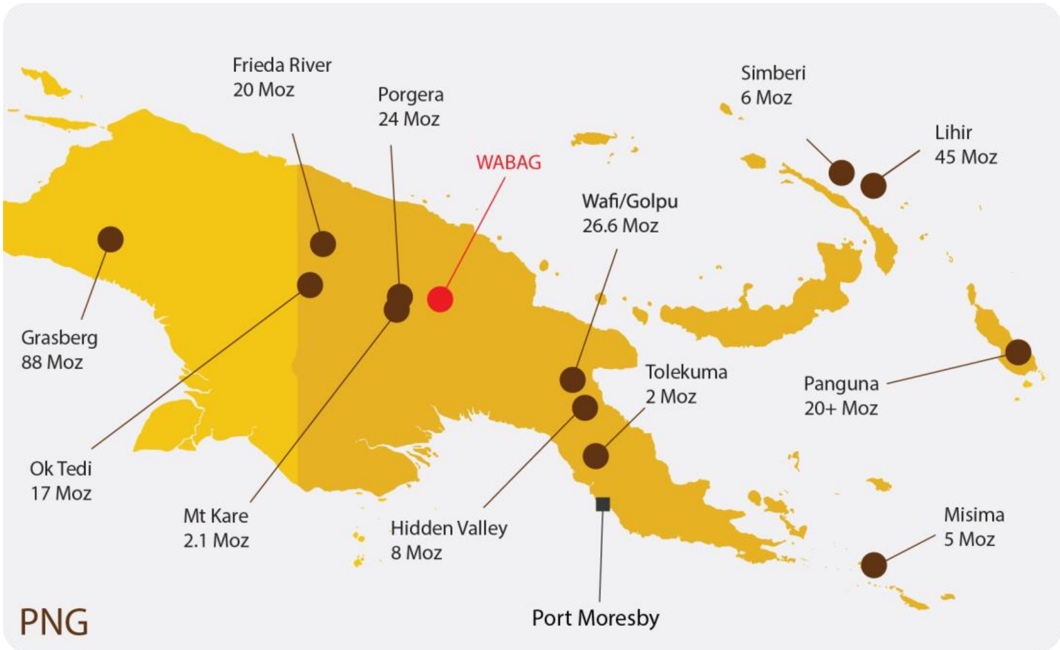

Figure 3: Location of the Wabag Project relative to major world class gold mines in Papua New Guinea.