ASX RELEASE

ASX:GMN

28 January 2020

MONOYAL CREEK – DRILLING RECOMMENCES

Highlights:

- Nine-hole drill programme resumed at the Monoyal Prospect on January 21st
- MCD005, the 3rd hole in the programme, is currently down to a depth of 105.20m
- Assay results for MCD003 and MCD004 will be announced by mid to late February, dependent upon lab productivity
- Ten rock chip samples collected from the northern end of the Mongae Creek/Monoyal prospect soil grid at Lombokai Creek in November have returned assay results of up to 1.34 g/t Au, 10.0% Cu and 73 g/t Au.

Gold Mountain Limited (ASX: GMN) is pleased to provide an update in relation to its ongoing exploration programme at the Company's flagship Wabag Project. The Company is ramping up its exploration programme in 2020, with regional rock chip sampling, soil sampling and trenching planned to test the +25km mineralised corridor identified from airborne magnetic data. Drilling and trenching have already commenced at Monoyal and soil sampling and regional exploration work will be initiated in February.

The nine-hole drilling programme at the Monoyal Prospect remains the key focus and drilling resumed on the 21st of January (Figure 1). The third hole in the programme, MCD005 is targeting a coincident Cu-Mo anomaly identified by soil sampling in mid-2019[1], and later confirmed by trenching (T6)[2]. Hole MCD005 is designed to test the down dip extension of the highest copper and molybdenum

[1] First reported in ASX Announcement of 29th April 2019: 'Mongae Reveals New Targets of Significantly Higher Grade and Larger Size'. Competent Person: Mr Douglas Smith

[2] First reported in ASX Announcement of 8th July 2019: 'Trench Results at Mongae Provide Strong Case to Drill High-Quality Porphyry Targets'. Competent Person: Mr Douglas Smith

mineralisation intersected by T6 and in a second trench (T7) which intersects T6 at right angles and was completed in December 2019.

Hole MCD005 has a planned depth of 400m and is currently down to a depth of 90.90m. It is expected that MCD005 will be completed by mid – February. Hole MCD005 is part of an initial 9-hole drilling programme totalling approximately 3,500m[3], designed by GMN to test an extensive copper-in-soil anomaly identified in mid-2019. A table detailing the drill hole parameters and proposed drill hole parameters is included as

[3] First reported in ASX Announcement of 15th October 2019: 'Drilling Commenced at the Monoyal Creek Porphyry Prospect'

Table 1. Drill hole locations are presented in Figure 2.

Figure 1: Drill site of MCD005 (21st January 2020).

Table 1: Monoyal – Current and planned drill hole parameters.

Proposed Hole ID	Easting	Northing	RL	Planned Depth (m)	Current Depth (m)	Dip	Azimuth
MCD003	810,142	9,419,803	1,737	450	500.5 EOH	-65	275
MDC004	809,861	9,419,773	1,654	475	450.20 EOH	-60	220
MCD005	809,733	9,419,965	1,574	400	90.90	-60	282
PHD006	809,179	9,419,861	1,605	400		-60	255
PHD007	810,088	9,419,721	1,717	400		-60	330
PHD008	809,378	9,419,761	1,630	400		-60	260
PHD009	809,526	9,419,876	1,506	400		-60	255
PHD010	809,418	9,420,146	1,447	250		-60	255
PHD011	809,901	9,419,808	1,647	250		-60	245
**coordinates in UTM (WGS 84) Zone 54S projection*							

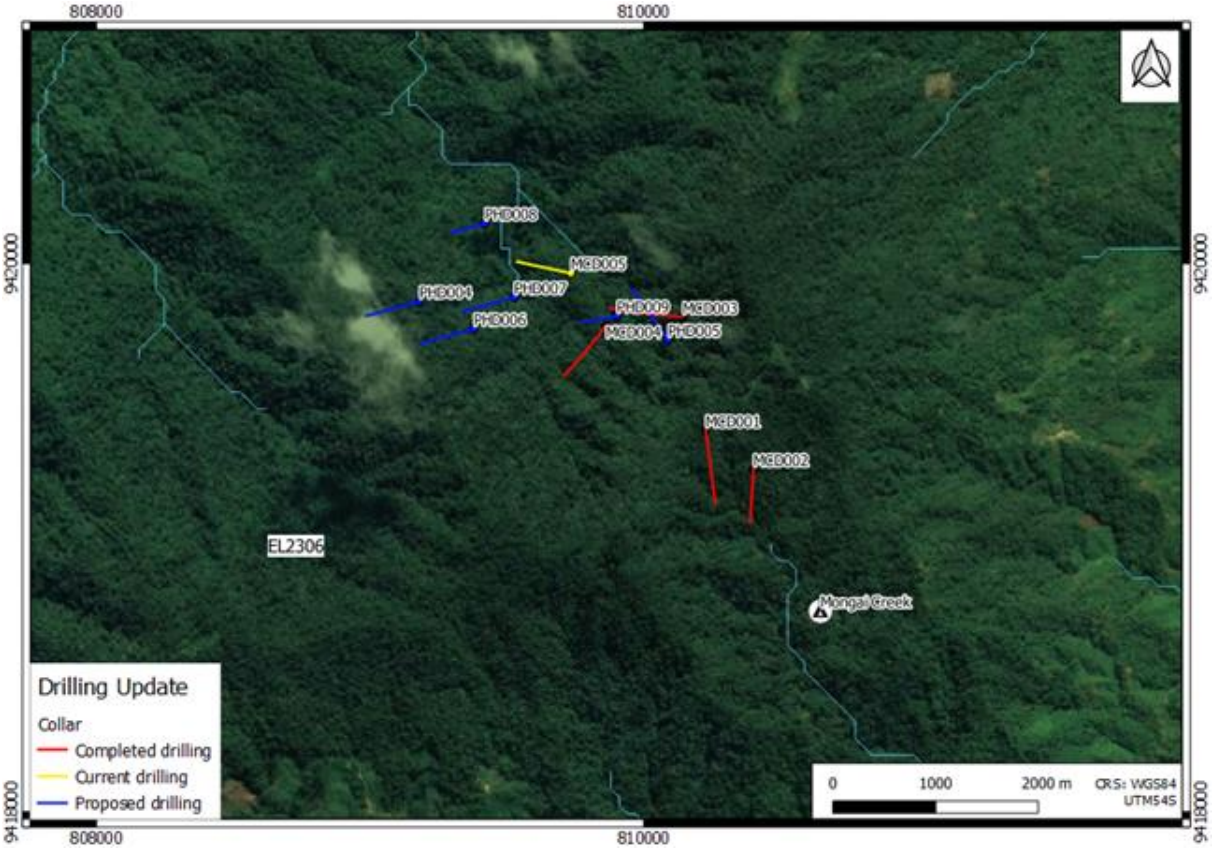

Figure 2: Mongae-Monoyal completed, current and proposed drill holes.

Assay results for the two holes completed at Monoyal in December (MCD003, MCD004) will be announced over the coming month. Results have been delayed due to a backlog of samples at the assaying laboratory in Townsville. It is expected that results for MCD003 and MCD004 will be available by mid to late February.

In addition to the drilling programme, GMN continues to assess the prospectively of the areas in the immediate vicinity of the Mongae-Monoyal area. Ten rock chip samples were collected from Lombokai Creek, which is located directly north of the Monoyal prospect (Figure 3). The rock chip samples were collected by a GMN geologist while completing extensions to the Mongae-Monoyal soil grid in November 2019.

The 10 rock chip samples (LMBK001-10) have distinct skarn characteristic and are highly anomalous in gold, copper and silver. Seven samples assayed over 0.10% Cu with one sample assaying 10.0% Cu. Two other samples recorded 1.36 g/t Au and 73 g/t Ag. The rock chip locations are shown in Figures 3 and 4 and the results are presented in Table 2 and Appendix 2.

The Mongae-Monoyal soil auger grid will be extended to the north and east to cover the Lombokai Creek area to determine if a drillable target can be identified. If a suitable target is identified, it will be tested with the drill rig currently operating at the Monoyal Prospect.

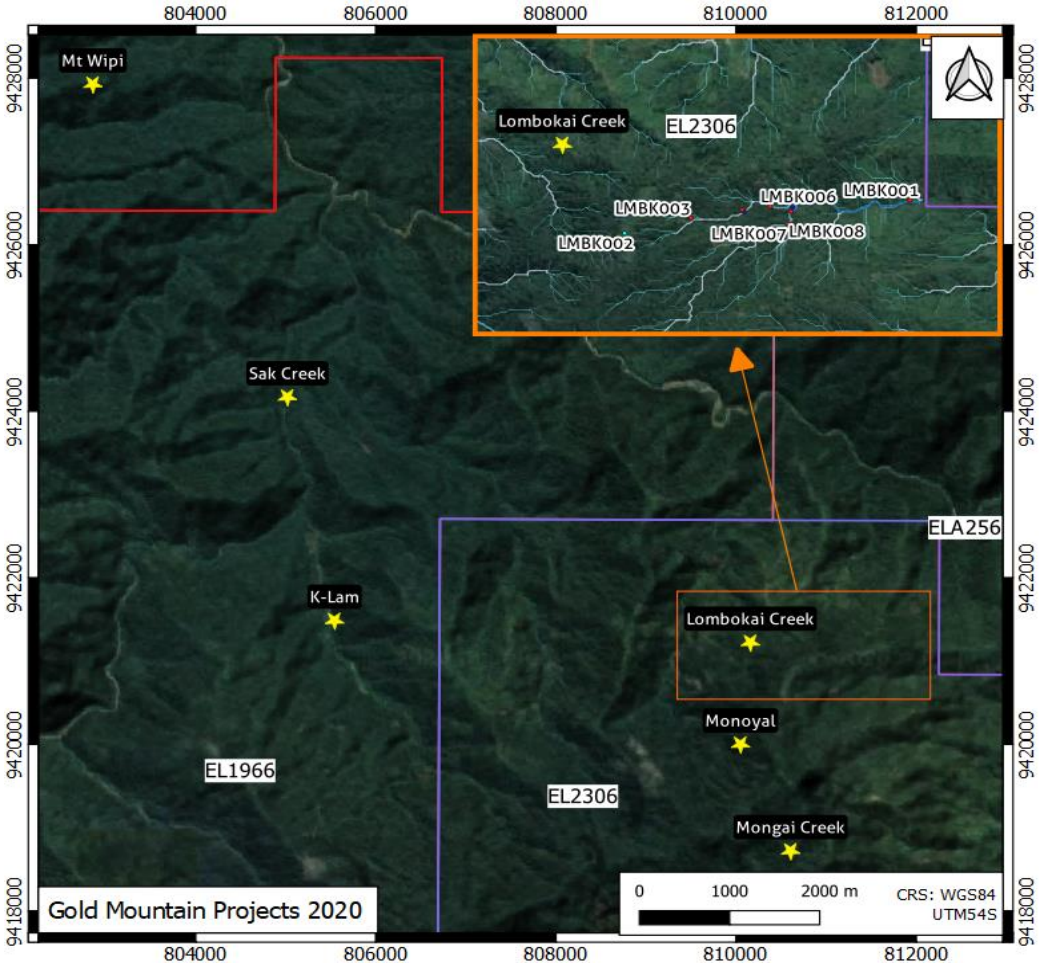

Figure 3: Lombokai Creek rock chip locations.

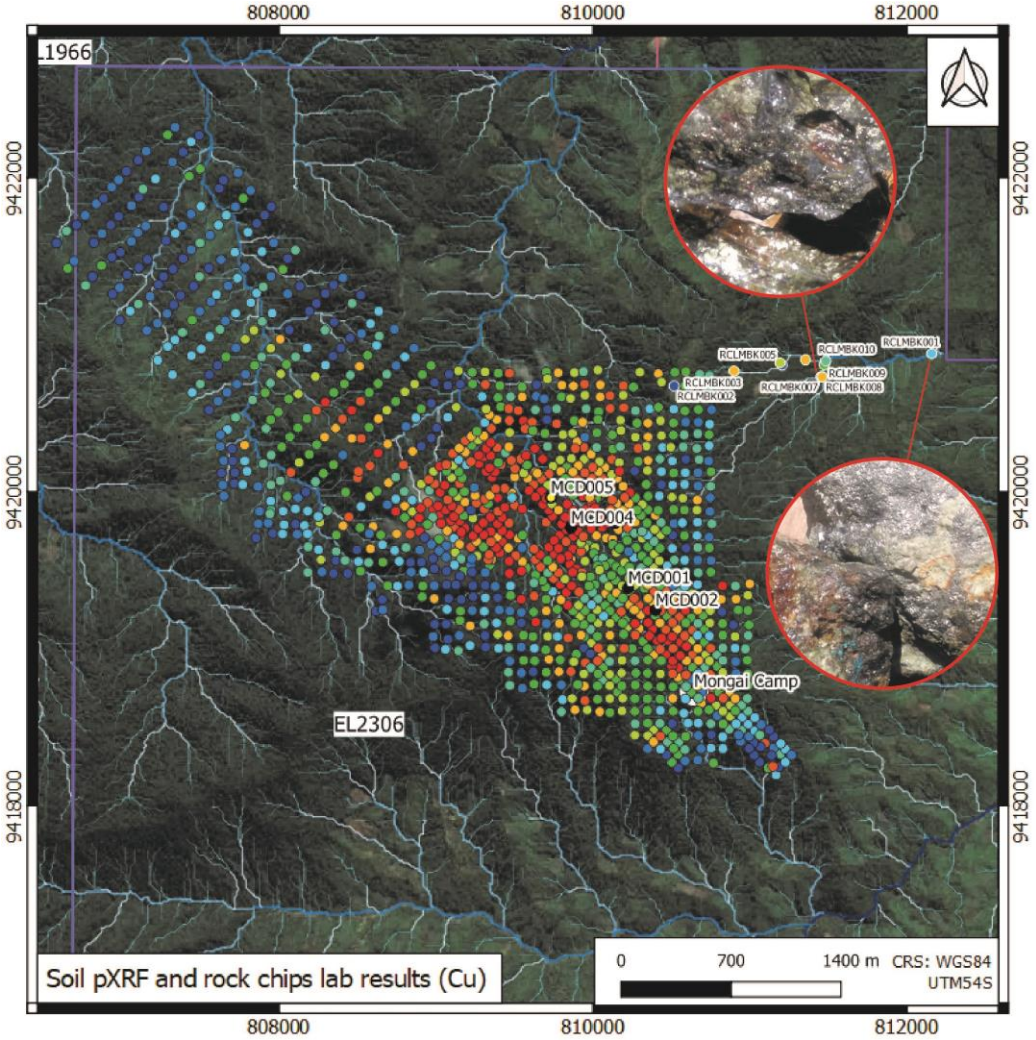

Figure 4: Lombokai Creek samples with respect to the Mongae Soil Grid.

Table 2: Rock chip results – Lombokai Creek.

Sample ID	Au ppm	Ag ppm	Cu ppm*	Rock Chip Description	Sample Type
LMBK001	0.06	0.22	1,085	12 x 10 cm vein, highly siliceous vein hosting disseminated chalcopyrite and pyrite	Float
LMBK002	0.01	1.13	178	Fine to medium grained tonalite with disseminated pyrite	Float
LMBK003	0009	22.1	1.40%	Dull green calcareous diorite? Rich outcrop with chalcopyrite and bornite	Outcrop
LMBK004	0006	1.67	244	Fine to medium grained tonalite with disseminated pyrite and chalco	Outcrop
LMBK005	0.18	20.3	6,350	Grey brown, partially oxidised, calcareous pyritized	Outcrop
LMBK006	0.51	73.5	10.00%	Black grey magnetite skarn, hosting chalcopyrite, bornite, chalcocite	Outcrop
LMBK007	0.14	1.32	279	Greyish brown, oxidised tonalite with qz-ser-py alteration, qx-py veining noted	Outcrop
LMBK008	1.36	57.8	5.91%	Black grey magnetite skarn, hosting chalcopyrite, bornite, chalcocite	Outcrop
LMBK009	0.13	5.57	3,900	Dull green calcareous diorite? Rich outcrop with chalcopyrite and bornite	Outcrop
LMBK010	0.02	2.36	1,395	White-grey, fine grained tonalite hosting cpy-mal-bn as fracture controlled	Outcrop

The CEO of Gold Mountain Ltd, Mr Tim Cameron, said: “Gold Mountain is pleased to start the 2020 exploration programme and the March quarter will be a period of intense exploration activity. We have a further seven holes to drill at the Monoyal prospect and we are hoping to have this phase of the drilling programme completed by the end of April. We await the assay results from the initial two holes in the near term. In addition to the Monoyal prospect, GMN has several other prospects which we want to test in 2020, including the Sak Creek copper gold prospect and the newly discovered Lombokai Creek prospect. We have a large area of highly prospective ground and we are planning to intensify the exploration programme in 2020, to cover as much ground as possible and identify drill targets.”

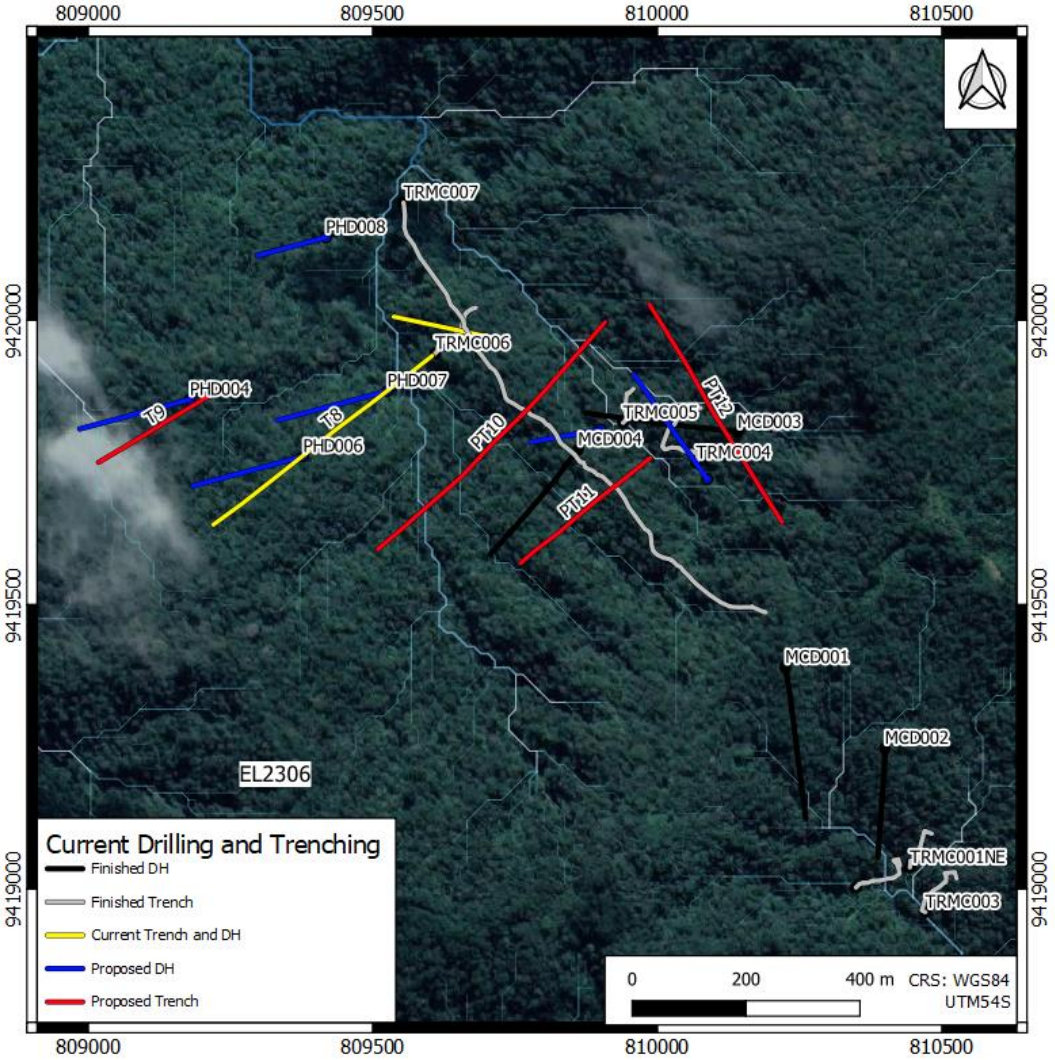

Figure 5: Monoyal Prospect Trench and Drill Hole locations.

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

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Reference to Previous Releases

Trenching and previous soil sampling results referred to in this announcement have been previously announced to the market in the reports dated 29th of April and 8th July 2019 and are available to view and download from the company website www.goldmountainltd.com.au.

Gold Mountain Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. Gold Mountain Limited confirms that the form and context in which the Competent Person's (Mr Doug Smith) findings are presented here have not been materially modified from the original market 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 an external consultant to the Company. Mr Smith confirms there is no potential for a conflict of interest in acting as a Competent Person. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning 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.*	• Rock chip samples – Approximately 3 – 4 kg of sample collected on site. Selective float samples collected on basis of visible veining and/or mineralisation (sulphides/Fe oxides). Outcrops sampled on basis of structures, veining or mineralisation.
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).*	• Not relevant – no new drilling results reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have*	• Not relevant – no new drilling results reported.

	occurred due to preferential loss/gain of fine/coarse material.	
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*	• Rock chip samples were photographed and geologically logged. • No core sampling is referred to in this release.
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.*	• Not relevant - No core sampling is referred to in this release. • Industry standard rock chip sample preparation techniques undertaken at ALS, Townsville, Queensland.
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 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.*	• Industry-standard analytical methods undertaken by ALS, Townsville, Queensland. • Gold assays – 50 g fire assays (method Au-AA24). • Multi-element – 0.25 g sub-sample digested in 4-acid digest followed by ICP-MS determination (method ME-MS61). • QC by laboratory included check assays, duplicate sub-sampling, blanks and standards. In the opinion of the Competent Person the QC results show acceptable accuracy and precision.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification,*	• Not relevant – no new drilling results reported.

	data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	
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.*	• The rock chip sample sites were located using a hand-held Garmin GPSMap 64ST GPS Unit. This is considered appropriate by the Competent Person for this early stage of exploration. • Grid system used was WGS84, Zone 54S. • Good topographic control is available.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data spacing is sufficient for reconnaissance stage exploration sampling programs.
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 early stages of exploration.
Sample security	• *The measures taken to ensure sample security.*	• Samples packed into polyweave sacks, sealed by cable ties and transported to TNT in Mt Hagan by senior personnel. TNT transported samples to ALS in Australia via air freight.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Sampling undertaken on Exploration Licence (EL) 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. • 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 programmes conducted by Gold Mountain Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• EL2306 contains the potential for porphyry copper-gold-molybdenum deposits, intrusive-related gold and epithermal gold deposits, structurally controlled gold lode deposits and alluvial gold-platinum deposits.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results.*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *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.*
		• Not relevant – no new drilling results reported.

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*	• No metal equivalents used.

	typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
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').*	• The true widths of intersections are not known; however, at this stage, veining is expected to be steep.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps showing prospect location, and the location of the rock chip samples presented in the report are included and the rock chip coordinates are included as Appendix 2
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 to interpret the results are omitted.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All exploration results detailed in attached report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive*	• Soil sampling and trenching at Lombokai Creek. • Field mapping and more sampling on EL2306 and 1966 • Drilling currently underway in EL2306

Appendix 2: Complete list of rock chip sample results collected in November 2019 from Lombokia Creek (EL2306).

Sample ID	Prospect	Type	Material	Easting*	Northing*	RL	Au (ppm) FA_AAS	Cu (ppm) ME_MS61	Ag (ppm) ME_MS61	As (ppm) ME_MS61	S (%) ME_MS61	Mo (ppm) ME_MS61	Zn (ppm) ME_MS61	Cu (pct) OG62
LMBK001	Lombokai Ck	Rock Chip	Float	812,158	9,420,882	1,788	0.06	1,085	0.22	0.6	0.11	8.27	52	
LMBK002	Lombokai Ck	Rock Chip	Float	810,517	9,420,676	1,752	0.01	178	1.13	1.7	3.33	13.55	431	
LMBK003	Lombokai Ck	Rock Chip	Outcrop	810,899	9,420,771	1,614	0.09	>10,000	22.1	3.9	6.67	0.68	167	1.40
LMBK004	Lombokai Ck	Rock Chip	Outcrop	811,205	9,420,808	1,563	0.06	244	1.67	2.4	2.63	7.84	414	
LMBK005	Lombokai Ck	Rock Chip	Outcrop	811,193	9,420,823	1,541	0.18	6,650	20.3	9.6	>10.0	53.6	74	
LMBK006	Lombokai Ck	Rock Chip	Outcrop	811,354	9,420,843	1,496	0.51	>10,000	73.5	3	9.13	1.41	290	10.00
LMBK007	Lombokai Ck	Rock Chip	Outcrop	811,452	9,420,734	1,515	0.14	279	1.32	4.7	>10.0	1.51	248	
LMBK008	Lombokai Ck	Rock Chip	Outcrop	811,451	9,420,734	1,492	1.36	>10,000	57.8	1.5	5.82	2.72	196	5.91
LMBK009	Lombokai Ck	Rock Chip	Outcrop	811,474	9,420,811	1,470	0.13	3,900	5.57	36	>10.0	18.4	243	
LMBK010	Lombokai Ck	Rock Chip	Outcrop	811,483	9,420,836	1,509	0.02	1,395	2.36	5.5	3.31	4.03	1,020	

**coordinates in UTM (WGS 84) Zone 54S projection*