

PROPOSED FARM-IN OF NON-CORE ASSETS

Highlights:

- Golden Mile Resources Ltd has entered into a binding conditional farm-in agreement granting Gateway Mining Limited the right to acquire up to an 80% interest in the Gidgee Project.
- The entry into a farm-in agreement for this asset will allow the Company to focus on the exploration and development of its priority WA gold projects.

Golden Mile Resources Limited ACN 614 538 402 (ASX:G88) (**Golden Mile** or the **Company**) is pleased to announce that it has entered into a binding conditional farm-in agreement (**Agreement**) granting Gateway Mining Limited ACN 008 402 391 (**Gateway**) the right to acquire up to an 80% interest in the Gidgee Project (**Project**).

Gateway is a listed Australian public company (ASX: GML) which focusses on mineral exploration targeting large-scale, quality gold deposits in Western Australia. Gateway has pre-existing interests in tenements located within the historical gold mining areas in the Gum Creek (Gidgee) Goldfield.

Gateway's farm-in of the Project will reduce the Company's existing expenditure commitments on non-core assets, thereby enabling the Company to focus on its high-priority gold projects. Golden Mile remains focused on its gold exploration programs at the Leonora East Project and Yuinmery Project.

About the Gidgee Project

The Gidgee Project is located in the North-Eastern Goldfields in Western Australia (Figure 1).

The Gidgee Project comprises two large exploration licences, E57/1040 and E57/1039 (**Tenements**), covering ground to the west of the historical gold mining areas in the Gum Creek (Gidgee) Goldfield. The Tenements are located approximately 75km north of the town of Sandstone in the northern Yilgarn Block and are considered prospective for gold and base metal mineralisation.

MARKET DATA

ASX Code: G88
Share Price: \$0.06 (as at 22/07/2020)
Market Cap: \$5.44 Million
Shares on Issue: 89,182,663
Options on Issue: 11,075,000
Cash at bank: \$0.77 Million (as at 07/05/2020)

BOARD & MNAAGEMENT

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



Figure 1: Golden Mile project locations in Western Australia

Key terms of Farm-in Agreement

- The agreement remains conditional upon Golden Mile obtaining appropriate exemptions under the *Mining Act 1978* (WA) in relation to expenditure conditions of the Tenements.
- Gateway will fund \$210,000 (excl GST) of exploration expenditure across the Tenements within 12 months of the agreement commencing.
- Gateway *may* elect to fund a further \$420,000 (excl GST) of exploration expenditure across the Tenements within 3 years of the agreement commencing and following payment of that amount will acquire from Golden Mile a 51% interest in the Tenements.
- Gateway *may* elect to fund a further \$500,000 (excl GST) of exploration expenditure across the Tenements within 5 years of the agreement commencing and following

payment of that amount will acquire a further 29% interest in the Tenements, taking Gateway's total interest in the Tenements to 80%.

- If Gateway elects to withdraw from the agreement it will complete at its own costs rehabilitation of the Tenements with respect to works carried out by Gateway on the Tenements.
- Upon Gateway electing to acquire an interest in the Tenements, Golden Mile and Gateway will form an unincorporated joint venture. Golden Mile may elect to convert its interest in the joint venture into an entitlement to a 0.5% net smelter royalty payable quarterly.

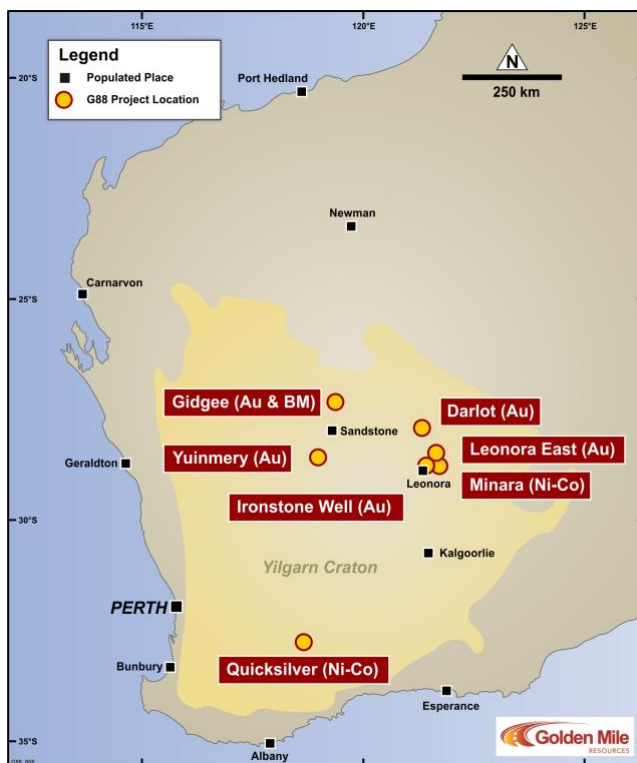
This Announcement has been approved for release by the Board of Golden Mile Resources Limited.

For further information please contact:

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About Golden Mile Resources Ltd



For more information please see the Company announcements on the ASX website or visit the Company's website: www.goldenmilresources.com.au

Forward-Looking Statements

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

Competent Persons Statement

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

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

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