



(ASX: GMN)

ASX RELEASE

19th May 2021

Drill Targets Identified at Mt Wipi

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

Highlights

- **Mt Wipi (EL2632)**
 - Exploration work at Mt Wipi is ongoing with a soil sampling program well advanced with assay results received for 390 of the 550 soil samples
 - Strong coherent coincident copper, molybdenum and gold in soil anomalies have been identified at three locations and four drill targets identified
 - Individual spot highs from the soil programme have returned values to 0.294% Cu and 0.52g/t Au, which are considered highly significant
 - Trace element porphyry pathfinder elements including tellurium, bismuth, tungsten and tin have also been recorded
 - Work is now underway to infill the initial 80m x 160m grid to 80m x 80m spacings and to excavate trenches which will traverse these anomalies
 - Additional wide spaced soil sampling over a larger area will be undertaken to expand the exploration footprint on the Mt Wipi exploration lease
 - Drilling is expected to start in mid-June at Mt Wipi to test the four initial targets generated by the soil programme
 - The company's geologists are also extending the reconnaissance programs to other areas within EL2632 to identify additional targets at Mt Wipi

After reviewing the latest soil geochemistry data from Mt Wipi, Phil Jones, GMN's porphyry expert said ***"these initial soil sample results have shown that the Mt Wipi prospect hosts at least 3 areas of significantly anomalous and robust basemetals, gold and porphyry pathfinder element geochemistry. These target areas lie immediately adjacent to strong copper/gold anomalism returned from previous rock chip and stream sediment sampling and are associated with a possible NW-SE structure evident in the airborne magnetic data. After successfully identifying these drill targets we are now planning to expand the soil sampling program over the Mt Wipi lease, especially to areas where we have recently collected rock chip samples that exhibit hydrothermally altered and sulphide mineralisation"***.

Mt Wipi (EL2632)

Exploration on the Mt Wipi tenement is ongoing, with a soil sampling grid over the Waa Creek area nearing completion.

The initial reconnaissance stream sediment sampling programme identified anomalous gold from drainages emanating from a magnetic low feature identified within EL2632 centred on Waa Creek. Strongly anomalous gold values to 439ppb Au¹ (MWD003) were returned, with other anomalous sites located up to 1.6 km from MWD003 in adjacent drainages (MWD002, 54ppb Au and MWD006, 41ppb Au²). The Waa Creek soil grid was designed to cover this area of highly anomalous copper and gold geochemistry and a distinct magnetic low which lies within a well defined structural corridor.

A soil programme was designed for this area, which initially comprised a 160m (E-W) by 80m (N-S) soil grid. Approximately 550, -80# soil samples have been collected to date. The soil samples were collected using a hand held auger, with the average depth of the auger hole being between 1.5m to 2m. The aim of the sampling program is to collect weathered bedrock sitting below the organic soil horizon in order to perform multi-element analysis to identify areas which could potentially host porphyry or skarn depoists. The collection of these weathered bedrock samples increases the probability that the elements identified in the samples are also contained in the host rock below the sample location.

Results for the first 390 soil samples has highlighted 3 anomalous copper-gold areas within the Waa Creek soil grid. The anomalies have been designated; Targets 1 to 3, and the characteristics of each anomaly is listed below.

Targets

- **Target 1A**
 - Coincident copper/molebdenum/tungsten/indium anomaly over 800m in length x 250m in width and includes target 1B at the southern end of the anomaly
 - The anomalous geochemistry appears to drape along the western edge of a potassium high in the airborne radiometric data
 - Additional sampling is required to the North West along strike as well as infill sampling within the anomaly given that the >0.1% Cu values were returned in the area

¹ The background levels of gold in drainages in the Wabag project are approximately 5ppb Au, any result over this is considered to be anomalous

² Stream sediment sampling results have been presented as ppb for gold and ppm for other elements, as this style of sampling technique is looking for subtle anomalies over large regional areas

- **Target 1B**

- Coincident copper/molybdenum/gold/tungsten/indium anomaly at the southern end of the area described above for Target 1A.
- Copper values at this location returned >0.2% Cu and is associated with anomalous gold

- **Target 2**

- This is a strong tellurium/copper/gold anomaly with partially coincident tungsten/indium/tin defined along a NE linear feature possibly indicating a basemetal/gold vein peripheral to a porphyry system under cover, unlike that at Targets 1A and 1B
- The anomaly appears to lie along the North West edge of a potassic anomaly and coincident with a strong magnetic low

- **Target 3**

- This shows a strong Copper anomaly which is approximately 5 times the background readings, there is also a moderate indium/molybdenum/gold/tin system at the northern end of a 750m x 250m copper response which drapes over the western edge of a potassic anomaly within a diffuse magnetic high

The location of these targets areas described are presented on **Figure 1** and **Figure 2** which also show the location of the previous stream and rock geochemistry and the airborne magnetic data.

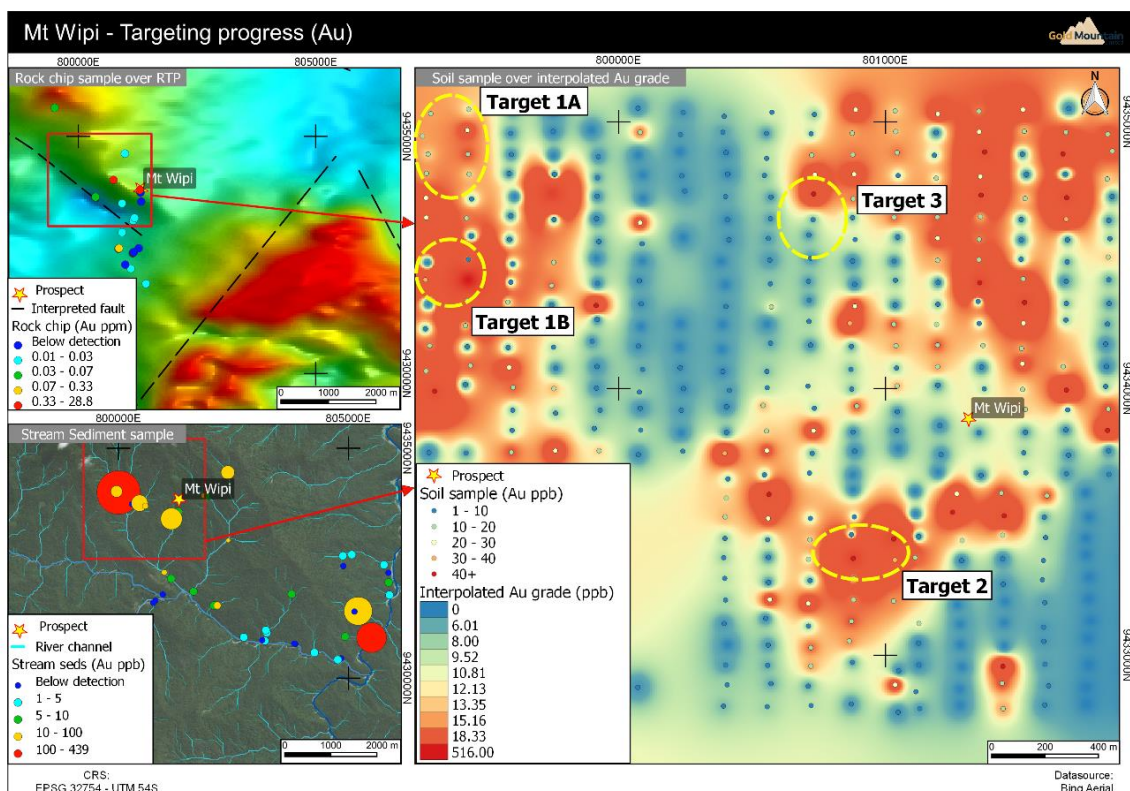


Figure 1. Gold rock chip, stream sediment soil geochemistry for the Waa Creek Prospect – MT Wipi

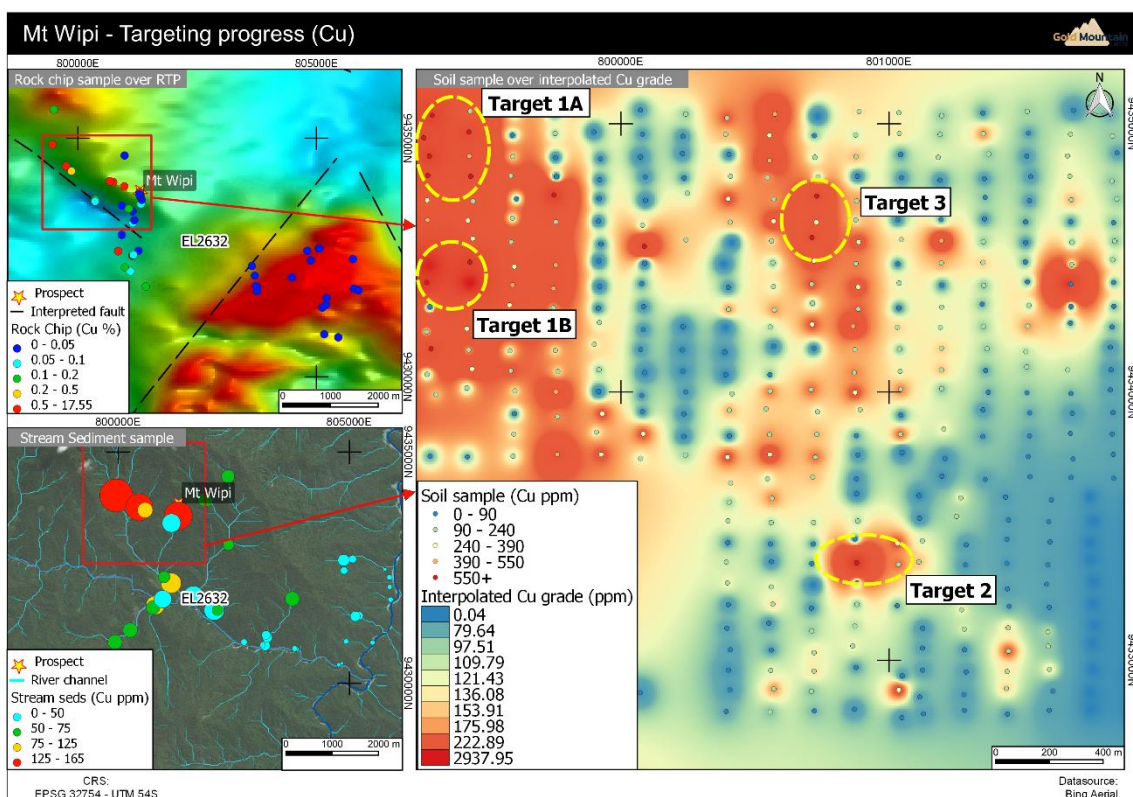


Figure 2. Copper rock chip, stream sediment soil geochemistry for the Waa Creek Prospect – MT Wipi

Another item of significance is that pathfinder elements for porphyry systems have also been detected along with the copper and gold mineralisation. These pathfinder elements which include, tellurium, bismuth, tin and tungsten are present in most major porphyry systems or located peripheral to them, and they were not observed to the same degree at the Monoyal and Mongae prospects as they have been here at Mt Wipi.

The current soil sampling has been undertaken on an 80m (N-S) by 160m (E-W) grid and anomalous areas will be infilled to 80m centres and trenches excavated across the anomalies to obtain structural and geological information. Once this information is received GMN intends to drill test the targets, with an initial drilling programme at Mt Wipi comprising between 5 to 10 holes of between 1,000m to 2,500m.

Tim Cameron, the CEO of GMN commented ***"I am very excited by what the team is finding in the exploration program at Mt Wipi. The presence of elevated gold and copper in the soil samples is very positive, this reinforces our previous work at Mt Wipi where we identified elevated copper and gold mineralisation in outcrops, stream sediment samples and channel samples that were all centered around a magnetic low feature. Phil Jones has also talked me through the significance of the trace element geochemistry that is associated with the copper and gold anomalies and this has encouraged me further. I have asked our field team to fast track the anomalies identified in the soil programme to drillable targets so that we can start drilling at Mt Wipi in June."***

-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:



Tim Cameron

Chief Executive Officer & Executive Director

M +61 (0) 448 405 860



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Reference to Previous Releases

Rock chip and stream sampling results referred to in this announcement have been previously announced to the market in the report dated the 20th of January 2021 and is available to view and download from the company website www.goldmountainltd.com.au/announcements.

Regional aeromagnetic data used as underlays in some figures of this announcement have been previously reported to the market in the report dated 23rd September 2020 which can be viewed and downloaded from the company website www.goldmountainltd.com.au/announcements.

GMN confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. GMN confirms that the form and context in which the Competent Person's findings are presented 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 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Soil Auger samples – Samples collected from an 160 m x 80 m grid, using a shell auger, sample collected from the B horizon, with between 3 to 4 kg of material collected. The average depth of the auger samples is between 1m to 2m All samples are placed in individually labelled plastic bags prior to being transported to an area where they are sun-dried prior to being deagglomerated and then pulverised to pass through a -80 mesh sieve. 100g of pulverised sample is then placed in a sample envelope prior to being dispatched to the laboratory for analysis. SOPs for the auger soil sampling work were used to safeguard representivity of the soil sample and consistency of the sample collected All soil samples are dispatched to Intertek in Lae (PNG) prior to dispatch to Intertek in Townsville for low level gold detection and multi-element analysis
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> No drilling results reported.
Drill sample recovery	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> No drilling results reported.

	<i>occurred due to preferential loss/gain of fine/coarse material.</i>	
<i>Logging</i>	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> No drilling results reported. The soil samples are logged and data transfferred onto a logging sheet prior to being uploaded into a database A photograph of the sample at its collection point is taken , the GPS showing the coordinates for the collection point is also photographed to ensure samples are collected from a known location.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> The soil samples weigh between 2 to 3 kg The samples were sun-dried on-site prior to being deagglomerated homogenised and pulverised down to -80 mesh at a sample preparation facility on site Approximately 100grams of the homogenised sample was then placed in a paper sample envelope for dispatch to Intertek Laboratories in Lae Sample sizes (2 – 3kg) are appropriate for the type of material being sampled to ensure good representivity. QC procedures - No duplicate samples collected in the field or company standards submitted. However, the homogenous and pulverised reject sample is retained on site for check assay , or further analysis if required.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> 	<ul style="list-style-type: none"> Industry standard analytical methods undertaken by Intertek in Lae (PNG) and Townsville, (Queensland). Gold assays – 50 g fire assays (method Au-FA25 /OA2). 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 accuracy and precision.

	<ul style="list-style-type: none"> • <i>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.</i> 	
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Site and sample descriptions recorded in field notebooks and data entered into Excel spreadsheets All primary data recorded in field logs and notebooks, then transferred into a database.
Location of data points	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Locations of sampling sites recorded using Garmin GPSMAP64ST hand-held GPS units (lateral accuracy <5 m). • Grid system used – 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	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Soil Auger samples – grid-based sampling on a nominal 160 m x 80 m grid. • Data spacing is sufficient for reconnaissance stage exploration sampling programs and is considered appropriate by the Competent Person for producing the soil anomaly maps as presented in this announcement • The soil sampling grid, is being infilled to 80m by 80m centres where areas of anomalism have been identified Data spacing is sufficient for reconnaissance stage exploration sampling and drilling programs. • There has been no sample compositing

<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • The orientation of samples is not likely to bias the assay results and is not relevant to the soil sampling programme. • There is no apparent bias in the soil grid orientation.
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • 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 • Soil samples which require low levels of detection limits and the multi-element assays for the soils are done in the Intertek laboratory in Townsville and Intertek is responsible for transporting the samples to Townsville
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • 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
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The soil sampling was undertaken on EL2632 in Enga Province, PNG. EL2632 was granted to on the 14th of August 2020 for a period of two years, the tenement is held by GMN 6788 (PNG) Limited (100%). The tenement is in good standing and there are no impediments to conduct exploration programs on the tenements.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> All exploration programs conducted by Gold Mountain Limited.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> EL2632 occurs 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 EL2632 contain the potential for skarn deposits and porphyry copper-gold deposits, intrusive-related gold and epithermal gold deposits. The Mt Wipi prospect is targeting porphyry mineralisation associated with dioritic intrusives and for skarn mineralisation on or adjacent to the contact zones where the diorites have been intruded into calcareous sediments. Mineralisation encountered to date has been predominantly iron-pyrite, chalcopyrite and molybdenum observed on fracture surfaces and in veins.

<i>Drill hole Information</i>	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results • 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. 	<ul style="list-style-type: none"> • Reconnaissance exploration results detailed in attached report. • Apart from results reported in the attached report, no other assay results are considered to be significant.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • No drilling reported; only analyses taken using soil sampling results • No averaging of results has been used and high grade cuts have not been applied to the data • Anomalous soil values are calculated by using the medium value of the data set then adding one standard deviation (SD) for each level of anomalism. With the higher limit of anomalism being the medium value + 4 SD's
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • No drilling assays or intercepts reported
<i>Diagrams</i>	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but 	<ul style="list-style-type: none"> • Maps showing soil sample locations and results included in the attached report. • A plan view of location of the soil samples is included in the attached report.

	<i>not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All exploration results detailed in attached report
<i>Further work</i>	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Additional soil sampling is planned in the Mt Wipi area. Infill soil sampling will be undertaken where areas of copper and gold anomalism has been identified and trenching is also planned for these areas Drill holes are planned for the Mt Wipi tenement (EL2632) however at this stage the drill locations have not been finalised. It is expected that drilling will commence on EL2632 in 4 to 6 weeks