



ASX: GMN

ASX RELEASE

21 February 2022

RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$2.1 MILLION

Gold Mountain Limited (ASX: GMN) ("Gold Mountain" or "the Company") is pleased to announce a Renounceable Rights Issue to raise up to approximately \$2.1 million.

Highlights

- **1 for 5 Renounceable Rights Issue to raise up to approximately \$2.1 million**
- **Attractively priced at 1 cent per share**
- **Discount of 25% to the 30-day VWAP of 1.34 cents and 34% to the 90-day VWAP of 1.52 cents**
- **With every 2 New Shares, shareholders receive 1 free attaching New Option**
- **New Options will have Exercise Price of 2 cents, term of two years and will be listed**
- **Shareholders can trade their rights and apply for additional shares and attaching options**
- **Rights to start trading from 23 February 2022**
- **Funds to be used to fund ongoing exploration activities at the Company's highly prospective Wabag Project, PNG, for working capital and to meet the costs of the offer**
- **All directors have indicated their intention to participate in the Rights Issue**

Renounceable Rights Issue

Under the offer, shareholders will be offered 1 New Share for every 5 existing shares held on 24 February 2022 ("Record Date"), with 1 attaching new listed option, exercisable at 2 cents and with term of two years from the date of their issue, for every 2 New Shares subscribed.

The rights issue price represents a discount of:

- **25% to the Company's 30-day VWAP of \$0.0134; and**
- **34% to the Company's 90-day VWAP of \$0.0152.**

On completion and assuming the full amount is raised, the Company will be well-funded with \$3.1 million available to advance the Company's projects and prospects within the Wabag Project in PNG through:

- The continuation of the 6,000-8,000m targeted drilling program in the highly prospective Mt Wipi target area
- Compilation and review of the extensive geological data for the highly prospective Monoyal and Sak Creek target areas with specific focus on Lombokai Creek
- Continued Regional exploration works program General working capital.

Offer Terms

The Rights Issue is open to all eligible shareholders who have a registered address within Australia, New Zealand, Singapore, or Malaysia, and who hold Shares on the Record Date. The Rights Issue will close on 15 March 2022 (unless extended), and eligible shareholders can apply for shortfall in excess of their entitlement. Shareholders can also trade their rights from 23 February 2022.

Mahe Capital advised on the issue and acts as Lead Manager and Underwriter. The issue is partially underwritten to \$0.5 million.

All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares and Options. A prospectus in relation to the Rights Issue was lodged with ASIC on 21 February 2022 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the prospectus in deciding whether to acquire securities under the Rights Issue and will need to follow the instructions on the entitlement and acceptance form that will accompany the prospectus. The following are indicative dates in respect of the capital raising:

Shareholders outside Australia, New Zealand, Singapore, or Malaysia wishing to apply for shortfall shares should contact the Company.

Timetable

Event	Date
Rights issue announced (including announcing appendix 3B and prospectus)	21 February 2022
Ex entitlement date Rights trading commences on a deferred settlement basis	23 February 2022
Record Date for determining entitlements (5:00pm EST)	24 February 2022
<ul style="list-style-type: none"> • Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders • Rights Issue opens • Deferred settlement of rights ends 	1 March 2022
Rights trading ends	8 March 2022
Deferred settlement of Rights Issue securities	9 March 2022

Last day to extend Rights Issue closing date	10 March 2022
Closing date of entitlement issue (5:00pm EST)	15 March 2022
Announce results of the entitlement issue	18 March 2022
Issue date (including announcing appendix 2A)	22 March 2022

These dates are indicative only and may change, subject to the Corporations Act and Listing Rules.

-END-

This announcement is authorised for release by the Board of Gold Mountain Limited.

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



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