

PROPOSED SALE OF NON-CORE ASSETS

Highlights:

- Golden Mile Resources Ltd has entered into a binding conditional agreement to sell its non-core Darlot and Gidgee Projects to Sundaland Resources Ltd
- The Darlot and Gidgee Projects are considered to be low priority exploration assets of the Company
- The proposed disposal will provide Company with additional funding for exploration and development of its priority WA gold and nickel 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 agreement (**Agreement**) for the sale of the Darlot and Gidgee Projects (the **Projects**) with Sundaland Resources Ltd ACN 629 473 061 (**Sundaland**).

Sundaland is an unlisted Australian public company which is intending to undertake a listing on the ASX in early 2020. Sundaland has a 30 day exclusive due diligence period to undertake due diligence on the Projects.

The sale of these Projects will provide the Company with additional cash and also reduce its existing expenditure commitments on non-core assets, thereby enabling the Company to focus on its high-priority gold and nickel projects. Golden Mile is currently focused on its gold exploration programs at the Leonora East Project and its' recently acquired Yuinmery Project.

About the Darlot and Gidgee Projects

The Darlot and Gidgee Projects are both located in the North-Eastern Goldfields in Western Australia (Figure 1).

The Darlot Project is comprised of a single exploration licence, E37/1248, located approximately 110 km north of Leonora, adjacent to the Darlot Gold Mine operated by Red 5 Limited.

The Gidgee Project comprises two large exploration licences, E57/1040 and E57/1039, 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:	\$0.066 (as at 6/11/19)
Market Cap:	\$4.71 Million
Shares on Issue:	71,374,970
Options on Issue:	10,425,000
Cash at bank:	\$1.1 Million (as at 31/10/2019)

BOARD & MANAGEMENT

Rhoderick Grivas - Non-Executive Chairman
Lachlan Reynolds - Managing Director
Phillip Grundy - Non-Executive Director
Justyn Stedwell - Company Secretary
Paul Frawley - Exploration Manager



Figure 1: Golden Mile project locations in Western Australia

Key terms of proposed sale

The consideration payable by Sundaland to the Company for the acquisition of the Projects is:

- total cash consideration of \$80,000, of which:
 - \$15,000 has been paid upon execution of the Agreement; and
 - deferred consideration of \$65,000 (**Deferred Consideration**) is payable:
 - upon Sundaland's admission to ASX; or
 - at Sundaland's sole election, on or before 30 June 2020;
- 1,000,000 ordinary shares in Sundaland at a deemed issue price of \$0.10 per share (**Consideration Shares**) to be issued at settlement; and

- 750,000 options, each to acquire one (1) fully-paid ordinary share in Sundaland exercisable at \$0.30, with an expiry date of 3 years from settlement, being the date when these options will be issued (**Consideration Options**).

Conditions for sale:

The proposed sale of the Projects is conditional upon:

- completion of due diligence on the Projects by Sundaland to its satisfaction (the agreement is subject to a 30 day due diligence period in which Sundaland can complete due diligence on the project tenements);
- the Company obtaining any necessary shareholder and/or regulatory approvals for the proposed sale; and
- assignment (or novation) to Sundaland from the Company of any contracts relating to the project tenements.

The first condition is required to be satisfied or waived by the end of the 30 day due diligence period, and the second and third conditions are required to be satisfied or waived by 31 January 2020. Settlement is to occur 30 days after the conditions are satisfied, or at such earlier date as agreed between the parties.

If, following Settlement, Sundaland fails to either list on the ASX or pay the Deferred Consideration by 30 June 2020:

- the Company will have a right to buy back the Projects from Sundaland for a total consideration of \$1.00, exercisable within 30 days after 30 June 2020;
- the Consideration Shares and Consideration Options held by the Company will be cancelled; and
- the payment of the Deferred Consideration to the Company will be waived.

It is noted that in the event that Sundaland successfully lists on the ASX by 30 June 2020, then the Consideration Shares and the Consideration Options may be subject to escrow restrictions imposed by ASX, restricting the Company's ability to dispose those shares and options on terms required by ASX.

For further information please contact:

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About Golden Mile Resources Ltd



Golden Mile is an Australian based exploration and development company, with an outstanding suite of gold and nickel-cobalt projects in Western Australia.

The Company was formed in 2016 to carry out the acquisition, exploration and development of mining assets in Western Australia, and has to date acquired a suite of exploration projects, predominantly within the fertile North-Eastern Goldfields of Western Australia.

The Company's portfolio includes a suite of gold projects in the North-Eastern Goldfields which include the Leonora East, Ironstone Well, Darlot and Gidgee Projects.

In addition, Golden Mile holds two nickel-cobalt projects, namely the Quicksilver project in the South West Mineral Field and the Minara Project.

The Company has recently acquired the Yuinmery Gold Project in the Youanmi gold mining district.

For more information please visit the Company's website: www.goldenmileresources.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, statements concerning any intention or prospect of Sundaland listing on the ASX 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 and supporting documentation prepared by Mr Lachlan Reynolds, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Reynolds is the Managing Director of Golden Mile Resources Ltd, is a full-time employee of the Company and is a shareholder 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' (the JORC Code). 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.