

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 DECEMBER 2020

ASX ANNOUNCEMENT:

29 January 2021

ASX: G88

CORPORATE DIRECTORY

Non-Executive Chairman

Rhod Grivas

Managing Director

James Merrillees

Non-Executive Directors

Caedmon Marriott

Phillip Grundy

Company Secretary

Justyn Stedwell

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HIGHLIGHTS

- Drilling at Benalla delivered multiple broad intersections of gold mineralisation on targets BGT1-4:
 - BTAC026 12m at 1.03g/t Au from 40m *incl.* 4m at 2.52g/t Au
 - BTAC027 8m at 1.28g/t Au from 28m *incl.* 4m at 2.44g/t Au
 - BTAC082 4m @ 3.15 g/t Au from 12m and 16m @ 1.05 g/t Au
 - BTAC120 16m @ 0.81 g/t Au from 16m *incl.* 4m @ 1.56g/t Au from 20m
- Strong gold-in soils anomalies at Yuinmery
- Experienced exploration industry executive James Merrillees joined the Company as Managing Director
- Coming quarter sees follow up AC and RC drilling planned at Benalla and Ironstone Well, and further soil sampling at Yuinmery.

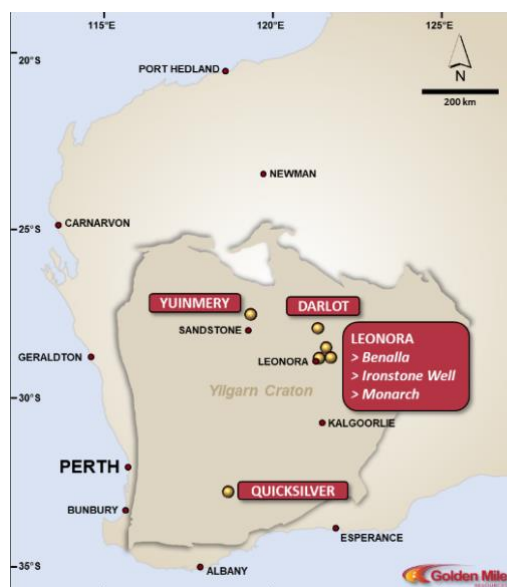


Figure 1: Golden Mile's project locations in WA

Golden Mile Resources (ASX:G88, “Golden Mile” or “the Company”) is pleased to provide the December 2020 quarterly report, highlighting ongoing exploration programs on its Leonora, Darlot and Yuinmery gold projects in the WA Goldfields.

1. LEONORA GOLD (100% G88)

Golden Mile’s Leonora Gold Project comprises a regionally significant tenement package focussed on the Ironstone Well, Monarch and Benalla Gold Projects located east of the Leonora mining centre in the prolific Eastern Goldfields of Western Australia (*Figure 2*).

The Company’s projects are along strike from and surrounded by significant gold production, development and exploration projects including St Barbara’s Gwalia Project (ASX:SBM) and Kin Mining’s Cardinia Project (ASX:KIN).

During the quarter, the Company completed two phases of aircore drilling at Benalla with results from the second phase of drilling released after the end of the quarter.

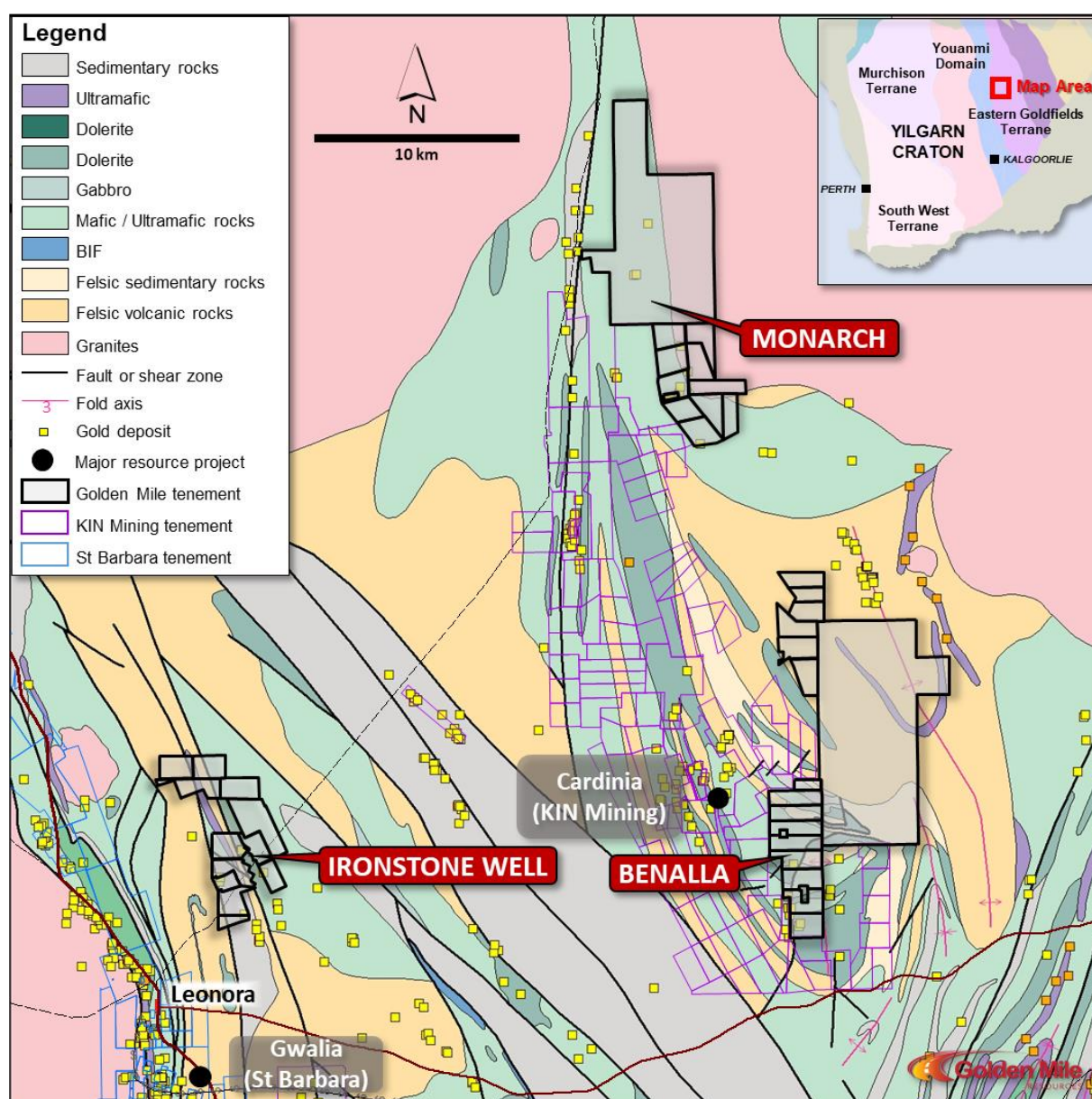


Figure 2: Golden Mile’s Leonora Gold Project, Western Australia.

1.1 Benalla Gold Project

Golden Mile's Benalla Project covers more than 7km strike length of high priority gold-in-auger anomalies immediately along strike from KIN Mining's 1.15Moz Cardinia Gold Project (refer Figure 3 and ASX:KIN announcement 22 December 2020).

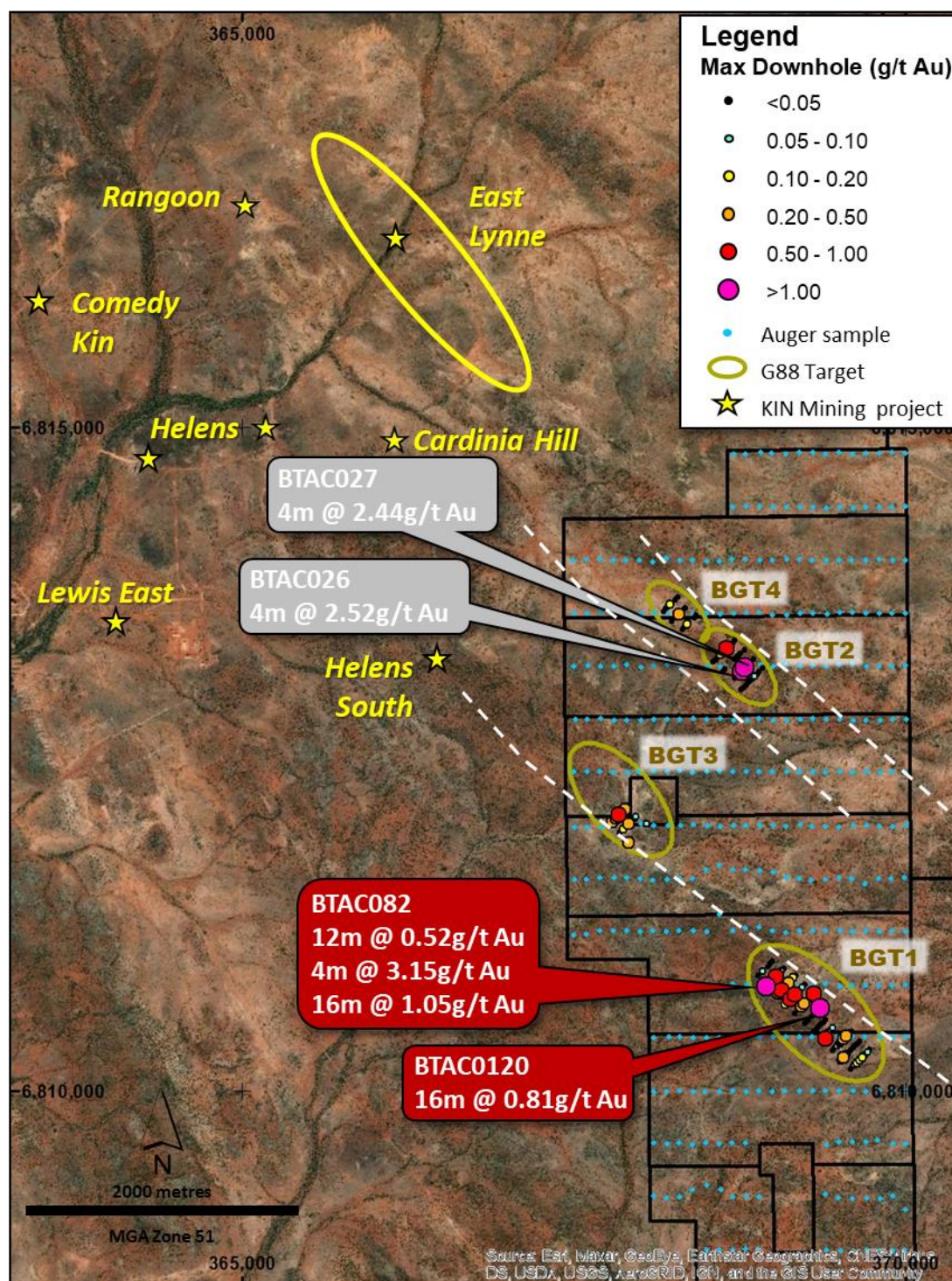


Figure 3: Benalla Project, 2020 aircore drilling with NW-trending structural trends interpreted from Golden Mile's 2020 detailed airborne magnetic survey.

Gold mineralisation at Benalla is associated with a felsic volcanic unit, within an assemblage of andesite and basalt, intermediate to mafic volcanics with associated quartz veining, disseminated sulphides (mostly pyrite, up to 5%) and potassic alteration, on or near the contact with surrounding mafic volcanic units. This style and setting is analogous to the neighbouring Cardinia area (*ASX:KIN, 27 August, 1 September, 2 September, and 14 September 2020*).

During the quarter, the Company completed two phases of aircore drilling at Benalla on high priority targets BGT1-4, defined by gold-in-auger geochemistry and detailed airborne magnetics (*Figure 4*).

First Phase AC Drilling

A 72-hole (2,423m) first phase aircore ("AC") program at Benalla tested priority geochemical and geophysical targets at BGT2 (max 371ppb Au) and BGT4 (max 374ppb Au). Twelve of the 72 holes partially tested target BGT3.

Results from the program included multiple intersections of gold mineralisation across two mineralised structures at BGT2 and BGT4 defining a mineralised trend over approximately 900m strike length. Highlights included (*Figure 4 and G88 ASX announcement 15 October 2020*)¹:

BTAC026 12m at 1.03g/t Au from 40m *incl. 4m at 2.52g/t Au*

BTAC027 8m at 1.28g/t Au from 28m *incl. 4m at 2.44g/t Au*.

The mineralised structures are interpreted to be continuations of Kin Mining's neighbouring East Lynne and Collymore Trends with BGT2 showing a very similar magnetic anomaly to Kin Mining's Cardinia Hill prospect (*Figure 4 and ASX:KIN, 24 August, 2 September, and 14 September 2020*).

Second Phase AC Drilling

A second phase (4,303m) AC program at Benalla targeted BGT1 and BGT3 on 100m x 25m spacings (*Figure 4*).

Twelve holes were drilled along a line across BGT3 in the first phase, with hole BTAC070 intersecting 4m at 0.42g/t Au from 4m depth at the end of a line. Target BGT3 sits on a separate parallel trend to targets BGT2 and BGT4.

BGT1 is the largest gold anomaly identified by the Company's 2020 auger sampling, with results up to 387ppb Au along a 1km strike length (*refer G88 ASX announcement, 9 September 2020*)¹.

In common with BGT2 and BGT4 both targets lie on regional structures extending into Kin Mining's Cardinia Gold Project, and the Company's drilling encountered similar geology to mineralised assemblages reported by KIN, including felsic and intermediate to mafic volcanic units and metasedimentary sequences.

The program intersected further multiple broad, shallow intersections of gold including (Figures 4 and 5):

BTAC082 4m @ 3.15 g/t Au from 12m and
 16m @ 1.05 g/t Au incl. 4m @ 2.93 g/t Au from 52m

BTAC120 16m @ 0.81 g/t Au from 16m incl. 4m @ 1.56g/t Au from 20m

Drilling again intersected mineralisation in a broad northwest-southeast orientation with mineralisation associated with quartz veining and disseminated pyrite and potassic alteration associated with a felsic volcanic unit, near the contact with a surrounding andesite.

Notably several of the lines of aircore did not close off mineralisation either along line or at depth, including the highest-grade intersections at BTAC082 (Figure 5) with work ongoing to understand structural and lithological relationships to focus follow up drilling.

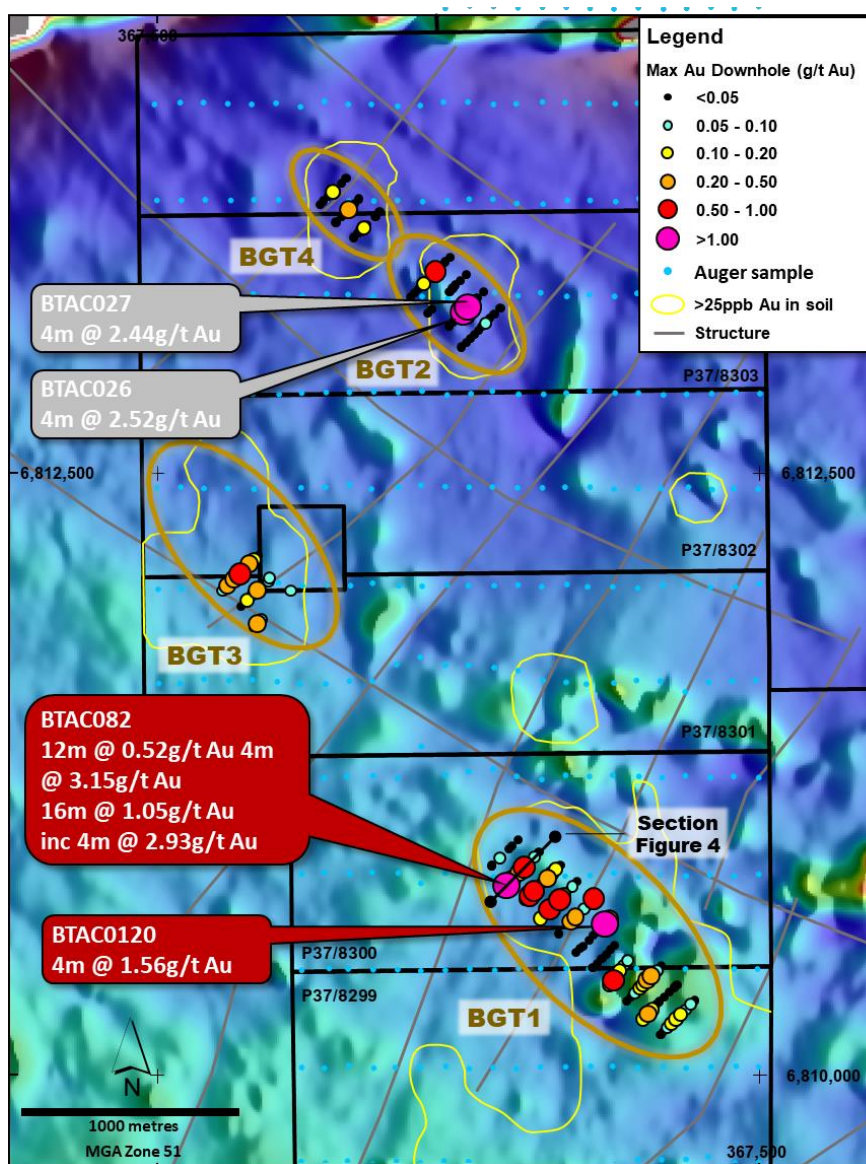


Figure 4: G88 Benalla Project, 2020 aircore drilling on background magnetic imagery.

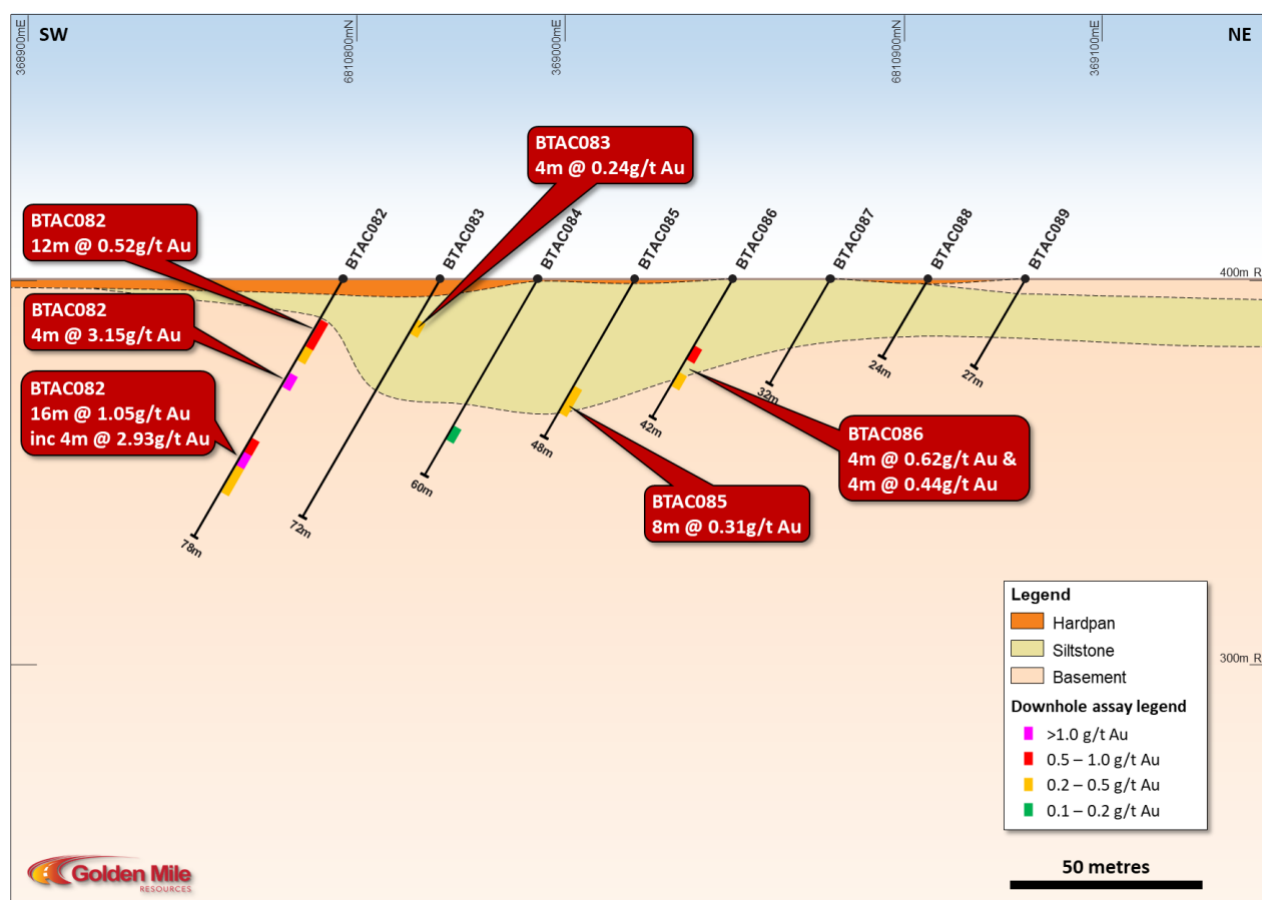


Figure 5: Section through target BGT1 with high grade intersection in hole BTAC082 open to the SW

Further Work at Benalla

Further AC drilling is planned to extend lines where mineralisation is open (e.g. BTAC082) as well as remaining untested targets including several high priority multi element anomalies with geochemical associations analogous to Cardinia.

A systematic RC drilling program is also planned to test several of the identified mineralised structures to determine the full extent and gold grade of these structures as well as test for mineralisation underneath the shallow aircore holes drilled to date.

1.2 Ironstone Well Gold Project

The Ironstone Well Project is located approximately 6 km northeast of Leonora (*Figure 2*) and the granting of M37/1341 in late 2019 consolidated this ~23km² package.

Golden Mile has undertaken preliminary exploration at Ironstone Well and has identified several targets prospective for gold mineralisation supported by historical geochemistry and geophysics including several significant gold intersections in historical drilling associated with extensive mineralised structures and numerous underexplored prospect areas including the Natasha Prospect which includes (*Refer G88 ASX announcement 31 /12/17*)¹:

- IRC002 7m @ 4.16 g/t Au from 17m incl. 2m @ 11.35 g/t Au

The Company is planning AC drilling during the coming quarter on receipt of a POW.

2. DARLOT GOLD PROJECT

The Darlot Gold Project, approximately 110 km north of Leonora, comprises a single exploration tenement (E37/1248) immediately adjacent to the Darlot Gold Mine, owned and operated by RED5 Limited (ASX:RED) (Figure 6).

The Darlot Project is interpreted to contain strike extensions of several key structures that control gold mineralisation in the Darlot goldfield. However, despite being adjacent to a major gold mine, the tenement has seen limited modern exploration with some gold anomalism detected that has never been systematically followed-up.

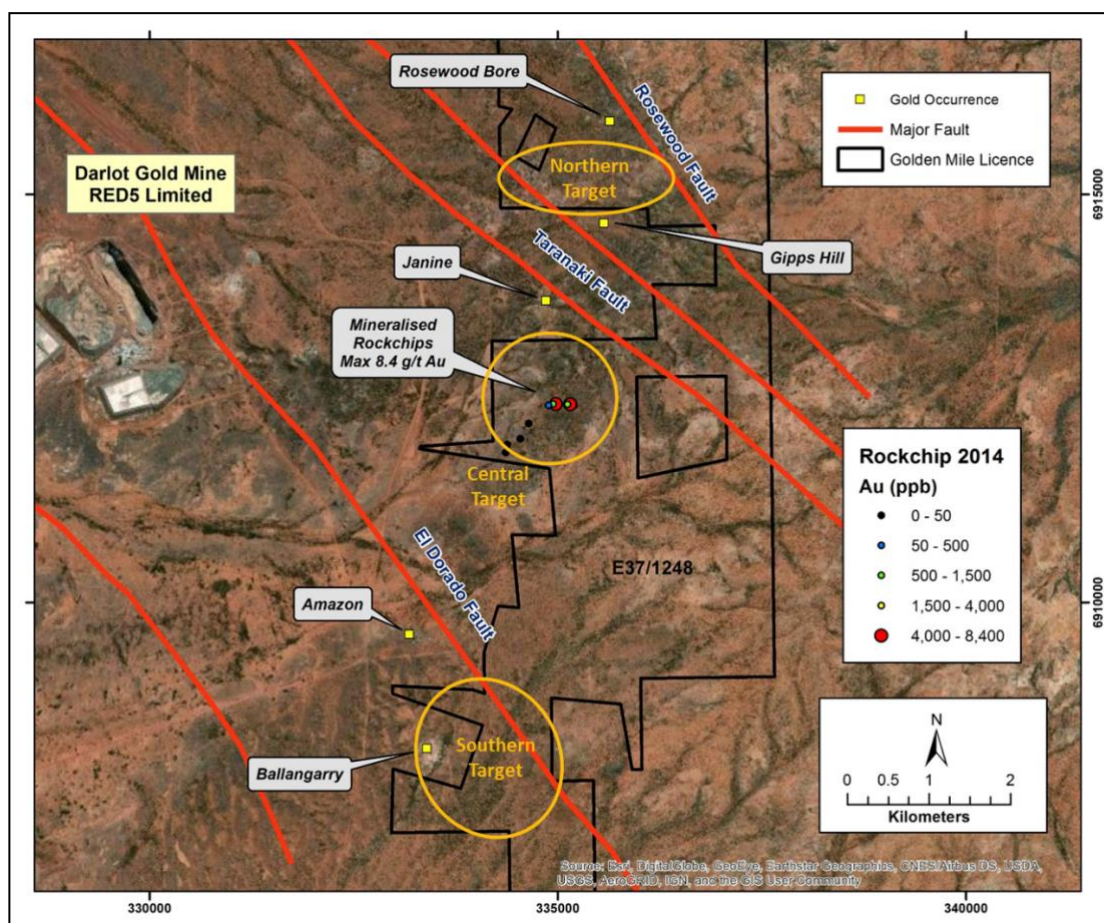


Figure 6: Location of Darlot tenement E37/1248 and target areas

The Company has identified several target areas at Darlot which are spatially associated with the southeast strike extensions of key structures in the Darlot goldfield and proximal to known gold occurrences (Figure 6):

1. Northern Target:– Taranaki Fault Zone (TFZ) adjacent to the historical Rosewood Bore and Gipps Hill gold mines
2. Central Target:– south of the TFZ and the Janine gold occurrence where RED5 have reported recent grab samples containing up to 21.9g/t Au (refer RED ASX announcement 11 November 2019)¹. The area also contains mineralised rock chip samples with up to 8.4g/t Au associated with quartz veins and mullock dumps (refer G88 ASX Announcement 25 May 2020)¹.

Assay results from the Company's soil sampling over the Central Target highlighted several gold anomalies with results up to 232ppb Au (*refer Figure 6 and G88 ASX Announcement 25 August 2020*)¹. The two strongest anomalies are located close to the sheared granite-greenstone contact and extend over ~400m strike.

3. Southern Target:– Along the SE extension of the El Dorado Fault, (associated with mineralisation at Darlot) and proximal to the Amazon and Ballangarry mines.

2020 Aircore Drilling

During the quarter, the Company's 37-hole, 1,311m aircore program at Darlot focussed on the Central Target Area. The relatively shallow holes were drilled to blade refusal in an area of little to no cover. The anticipated geology of mafic basalt and granite lithologies was encountered along all drill lines, with several narrow, zones of gold mineralisation intersected including (*refer Figure 7 and G88 ASX Announcement 12 January 2021*)¹:

- DAC003 4m @ 0.18 g/t Au from 12m and 8m @ 0.59 g/t Au from 16m
- DAC015 3m @ 0.17 g/t Au from 28m (*End of hole intercept)
- DAC020 4m @ 0.24 g/t Au from 28m (*End of hole intercept).

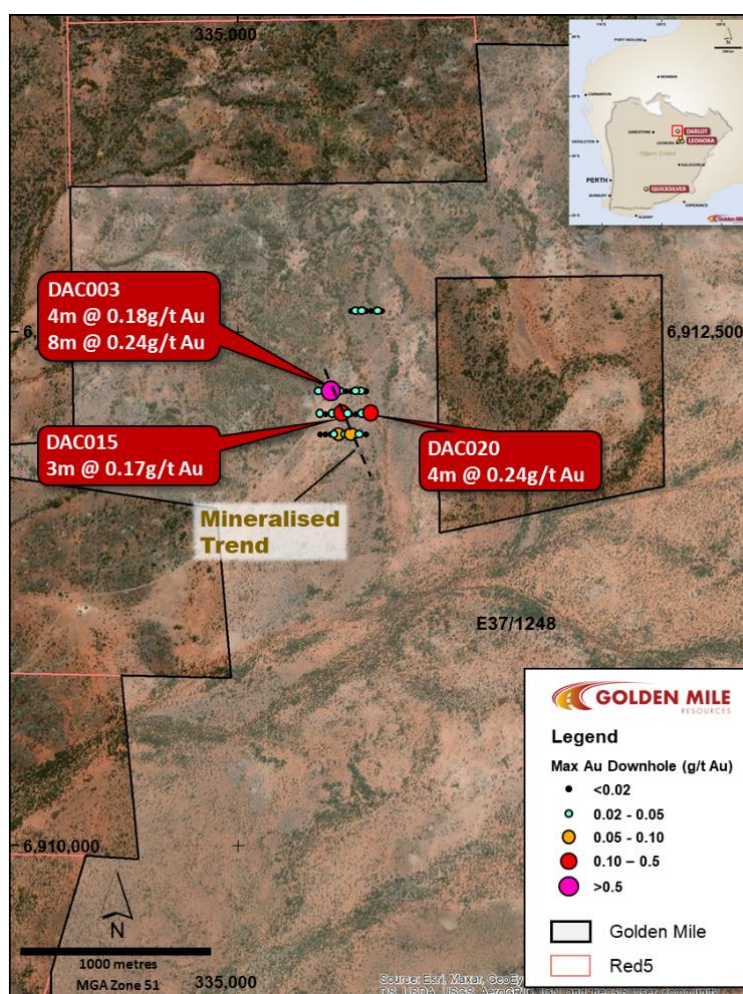


Figure 7: Golden Mile's Darlot Project, Central Target. AC drilling intercepts >0.1 g/t Au.

3. YUINMERY GOLD PROJECT

The Yuinmery Project (tenement E57/1043) is in the Youanmi Gold Mining District, approximately 10km east of the Youanmi Gold Mine (ASX:RXL and VMC), and adjacent to the Yuinmery Cu-Au Project (ASX:ERL). The area is experiencing a significant upswing in activity thanks to the recent high-grade Penny North (ASX:RMS) and Grace (ASX:RXL) discoveries.

The region is traversed by the north to north-northeast trending Youanmi Shear Zone, a major crustal structure that marks the boundary between the Murchison and Southern Cross domains.

Gold mineralisation in the region appears to be correlated with secondary northwest trending structures intersecting the main Youanmi Shear (e.g. Youanmi and Penny West) (*Figure 8*).

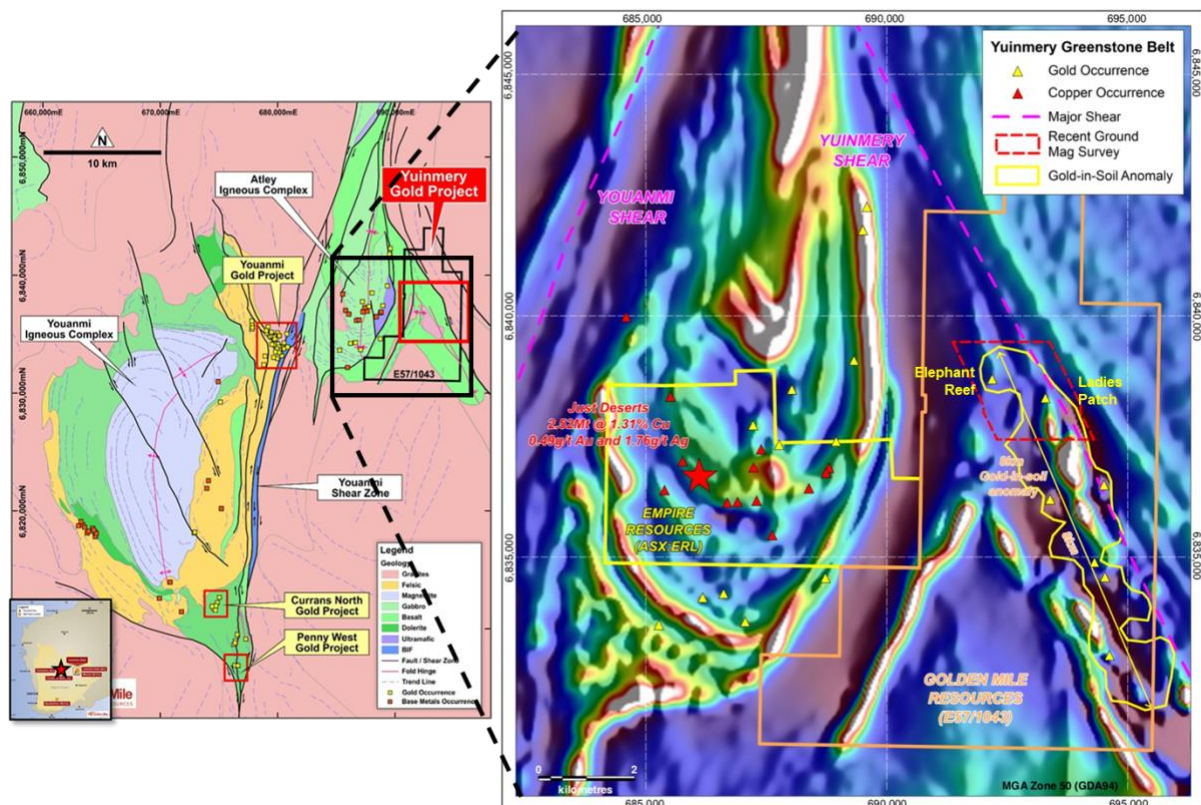


Figure 8: Magnetic image of Youanmi Gold District with tenements and trend of gold occurrences

The Yuinmery Project area contains approximately 9km strike length of the Yuinmery Shear, a northwest trending structure that intersects the regional Youanmi Shear. This sheared granite-greenstone contact represents a favourable structural target for gold mineralisation.

Several gold occurrences have been identified by prospectors within the tenement area, along with an 8km gold-in-soil anomaly identified by historic soil and auger geochemical sampling work, running parallel to the sheared contact.

First pass targeting by the Company has defined several anomalies defined by 'indicator' minerals associated with mineralisation and hydrothermal alteration and detailed ground magnetics and soils have been collected by the Company over a section of these targets.

The Company has defined significant NNE trending gold-in-soil anomalies over 800m strike at Elephants Reef and Ladies Patch (Refer G88 ASX announcement 12/11/20)¹ which

correlate with historic gold-in-soil & multi-element pathfinder assays. Further soil sampling is now planned along the regional Yuinmery Shear to refine these targets and define further anomalies for testing.

While Golden Mile's primary focus for the Yuinmery Project is gold, the Company notes the potential for the Yuinmery Greenstone Belt to host polymetallic VMS and Cu-Ni-PGM deposits such as Empire Resource's (ASX:ERL) adjacent Yuinmery Cu-Au Project (*refer ERL ASX Announcement 23 July 2020*).

4. QUICKSILVER NICKEL LATERITE PROJECT

The ~50 km² Quicksilver Project comprises an exploration license and a prospecting license that located near Pingaring in the South-West Mineral Field of Western Australia, approximately 280 km southeast of Perth. The project covers a greenstone belt with potential for the discovery of economic nickel laterite and sulfide mineralisation. Quicksilver is primarily located on privately owned farmland in an area with excellent local infrastructure, including easy access to grid power, sealed roads, and a railway line to key ports.

A total indicated and inferred resource estimate of 26.3 Mt @ 0.64% Ni & 0.04% Co (cut-off grade >0.5% Ni or >0.05% Co) has been announced for the Quicksilver deposit (*refer to Golden Mile Resources ASX announcement dated 19 November 2018*).

The Company is reviewing the most effective strategy to realise value from this project including a review of metallurgical test work to date on the laterite resource, and the results of the Company's electromagnetic surveys targeting nickel sulfide mineralisation.

5. GIDGEE PROJECT

The Company has a binding conditional farm-in agreement granting Gateway Mining Limited ("Gateway" - ASX:GML) the right to acquire an 80% interest in the Gidgee Project. Gateway has pre-existing interests in tenements located within the historical gold mining areas in the Gum Creek (Gidgee) Goldfield.

6. CORPORATE

Managing Director

During the quarter, the Company announced the appointment of experienced mining and exploration industry executive Mr James Merrillees as Managing Director.

Project Evaluations

The Company continues to actively review new project opportunities that could potentially complement and enhance the Company's current project portfolio.

Expenditure on Exploration Activities

During the quarter \$237,000 was incurred on the exploration and evaluation activities that are outlined in this report.

Payments to Related Parties

As required in Section 6 of the Appendix 5B quarterly cash flow report, the Company made payments to related parties and their associates during the quarter comprising payments to directors, management and related service providers totalling \$82,000.

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

For further information please contact:

James Merrillees – Managing Director

Golden Mile Resources Ltd (ASX: G88)

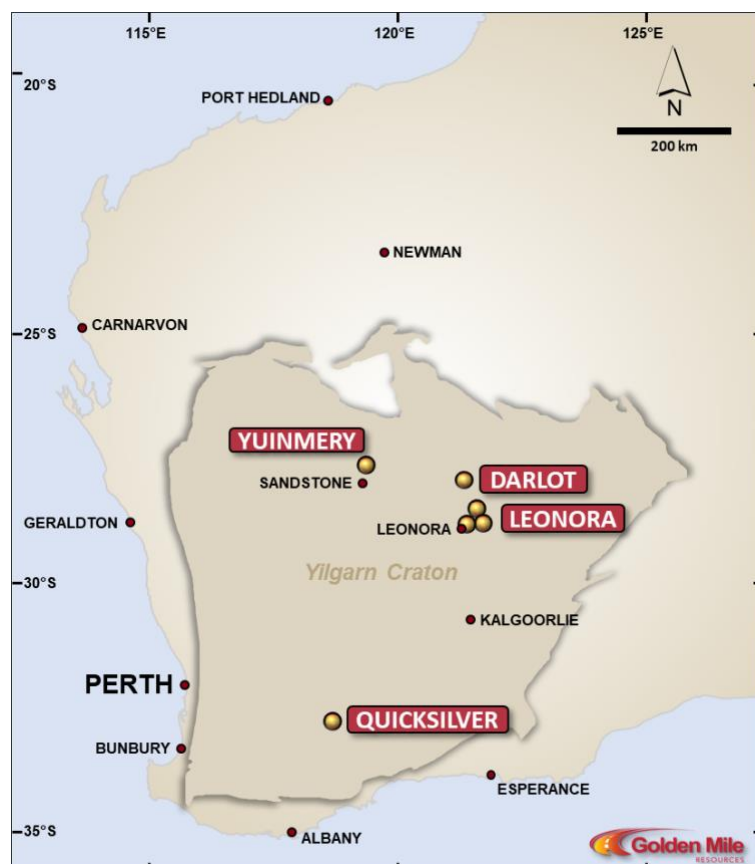
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Note: 1: Refer ASX announcement on the said date for full details of these results. Golden Mile is not aware of any new information or data that materially affects the exploration results set out in the announcement on the said date and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

About Golden Mile Resources Ltd



Golden Mile Resources Ltd (Golden Mile; ASX: G88) is a Western Australian focused mineral exploration company with gold projects located in the highly prospective Eastern Goldfields region, namely the Leonora (Benalla, Ironstone Well and Monarch prospects), Darlot and Yuinmery Gold Projects.

The Company also holds the Quicksilver nickel-cobalt project, located about 350km south east of Perth.

Golden Mile is focused on creating shareholder value and its Board has a proven track record of exploration and development success.

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 Results is based upon and fairly represents information compiled by Mr James Merrillees, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Merrillees is a full-time employee of the Company.

Mr Merrillees 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 Merrillees 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.

Appendix I – Tenement Schedule on 31 December 2020

Tenement No.	Project	Status	Interest at Beginning of Quarter	Interest At End of Quarter	Region
E 37/1248	Darlot Gold	Granted	100%	100%	NE Goldfields, WA
E 57/1039-I	Gidgee Polymetallic	Granted	100%	100%	Northern Yilgarn, WA
E 57/1040-I	Gidgee Polymetallic	Granted	100%	100%	Northern Yilgarn, WA
M 37/1041	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8484	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8610	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8611	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8612	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8615	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9047	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9050	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9051	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9052	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9053	Ironstone Well Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8922	Ironstone Well East Gold	Granted	100%	100%	NE Goldfields, WA
E 37/1225	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8285	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8286	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8287	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8288	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8298	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8299	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8300	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8301	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8302	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8303	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8304	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8305	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8515	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8702	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8706	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8707	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8710	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
P 37/8711	Leonora East Gold	Granted	95%	95%	NE Goldfields, WA
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P 37/8766	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/8767	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9021	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9028	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9054	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
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P 37/9058	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9059	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9060	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
P 37/9061	Leonora East Gold	Granted	100%	100%	NE Goldfields, WA
E 37/1215	Minara Nickel-Cobalt	Granted	100%	100%	NE Goldfields, WA
E 70/4641	Quicksilver Nickel-Cobalt	Granted	100%	100%	SW Mineral Field, WA
P 70/1723	Quicksilver Nickel-Cobalt	Granted	100%	100%	SW Mineral Field, WA
E 57/1043	Yuinmery Gold	Granted	100%	100%	NE Goldfields, WA

Appendix II – Tenement location map on 31 December 2020

