

GOLDEN STATE TO RAISE \$3.2 MILLION FOR HIGH IMPACT GOLD & LITHIUM DRILLING IN THE MALLINA BASIN

The Board of Golden State Mining Limited (Golden State or the Company) is pleased to announce that it has successfully completed a bookbuild to raise approximately \$3.2 million in a placement to sophisticated and professional investors through the issue of up to 25.6 million new shares at 12.5 cents per share (**Placement**), including participation by Golden State's major shareholders (see **Placement Details** below).

Use of Proceeds

Funds raised from the Placement, together with the Company's existing cash reserves, will be applied towards (where applicable) the following:

- **2,500m** follow-up gold RC/Diamond program at targets delivered from Phase 1 & 2 AC program
 - Yule South (commencing March 2021)
- **1,500m** lithium RC program based on identified pathfinders from Phase 1 & 2 AC program targeting lithium bearing (LCT) pegmatite mineralisation
 - Yule South (commencing May 2021)
- **15,000m** Phase 3 AC drill program focused on delivering additional gold and lithium RC drill targets
 - Yule Project (commencing July 2021)
- Additional exploration programs in 2H CY21 (to be confirmed)
- Financing the Company's ongoing working capital requirements and general administrative overheads

Euroz Hartleys Limited acted as Lead Manager to the Placement.

Commenting on the success of the Placement, Golden State's Managing Director, Mike Moore, said:

"Golden State welcomes the significant support demonstrated by the oversubscribed Placement by existing shareholders and new investors of the Company. The Company is building on the solid foundations laid in 2020 where we drilled over 28,000m of air-core at the Yule project. The funds raised in the placement will allow the company to expand its drilling programs over several high priority gold targets as well as the new lithium targets generated from known pathfinder elements identified in the phase 1 & 2 air-core data. 2021 will see significant exploration activity with multiple drilling programs and we look forward to keeping shareholders up to date with our activity."

Placement Details

The Placement will result in the issue of up to 25.6 million new fully paid ordinary shares at an issue price of \$0.125 each.

The issue of 13,726,892 shares is not subject to shareholder approval (falling within the Company's placement capacity under ASX Listing Rule 7.1 (8,063,272 shares) and 7.1A (5,663,620 shares)). This portion of the placement is expected to settle on Friday, 5 March 2021.

The issue of 11,873,108 shares is subject to shareholder approval at a general meeting scheduled to take place on or around 5 April 2021, with this portion of the placement expected to settle about 9 April 2021.

Golden State's largest shareholder, Perth Select Seafoods, has committed to 1 million shares in the Placement.

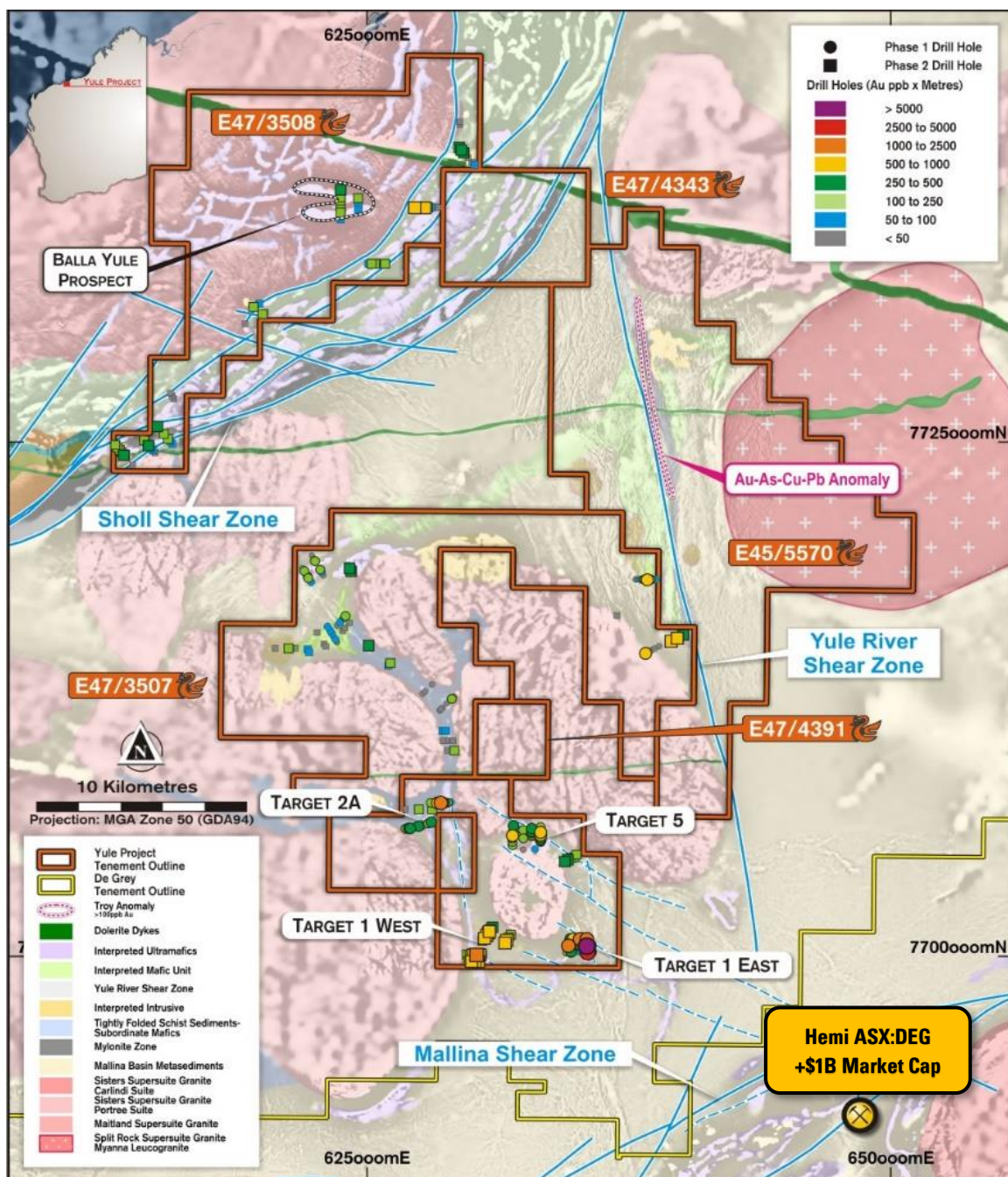
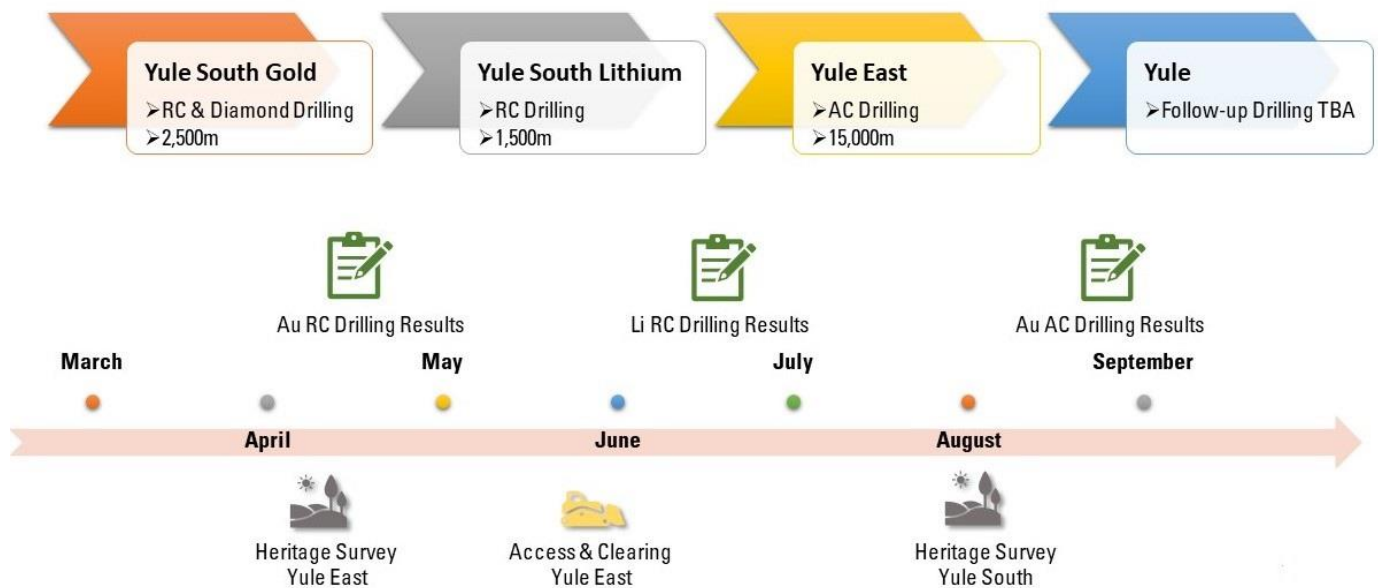


Figure 1: Yule geological plan showing drill target areas.

Upcoming Yule Activities in 2021



For further information please contact:

- Mike Moore (Managing Director) on 08 6323 2384 / 0438 938 934
- Greg Hancock (Non-Executive Director) 08 6323 2384 / 0418 263 388



BOARD OF DIRECTORS

Damien Kelly
Non-Executive Chairman

Michael Moore Managing
Director

Brenton Siggs
Non-Executive Director

Greg Hancock
Non-Executive Director

ISSUED CAPITAL

Shares	56.6 m
Options	16.7 m

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Golden State Mining Limited
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FORWARD LOOKING STATEMENTS

As a result of a variety of risks, uncertainties and other factors, actual events, trends and results may differ materially from any forward looking and other statements mentioned or implied herein not purporting to be of historical fact. In certain cases, forward-looking information may be identified by (without limitation) such terms as "anticipates", "believes", "should", "could", "estimates", "target", "likely", "plan", "expects", "may", "intend", "shall", "will", or "would". Any statements concerning mining reserves, resources and exploration results may also be forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management's beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.

COMPETENT PERSONS STATEMENT

The information in this report that relates to gold Exploration Results, is based on information compiled by Geoff Willetts who is a Member of the Australian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager, a full-time employee of Golden State Mining Limited (GSM) and holds shares and options in the Company.

Geoff Willetts has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently 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". Geoff Willetts consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information on previous explorers and historical results are summarised in the Independent Geologist's Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

The information in this report that relates to lithium Exploration Results, is based on information compiled by Dr. Marcus Sweetapple who is a Member of the Australian Institute of Geoscientists (AIG). Dr. Marcus Sweetapple is a consultant to Golden State Mining Limited (GSM).

Dr. Marcus Sweetapple has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently 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". Dr. Marcus Sweetapple consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information on previous explorers and historical results are summarised in the Independent Geologist's Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

This release was authorised by Mr. Michael Moore, Managing Director of Golden State Mining Limited