

Yule Exploration and Drilling Update

Highlights

- Volcanic-hosted massive sulphide (“VHMS”) pathfinders and coincident VTEM conductor at Quarry Well
- Gold Targets 1, 2 and 5 – 60% expanded RC program to 4,000m – May 2021
- LCT Pegmatite Targets at Targets 2 and 5 – 1,500m RC program – June 2021
- 15,000m Phase 3 AC drill program – July/August 2021

Gold and base metals exploration company Golden State Mining Limited (ASX code: “GSM” or the “Company”) is pleased to provide an update on the progress of its planned drilling activities.

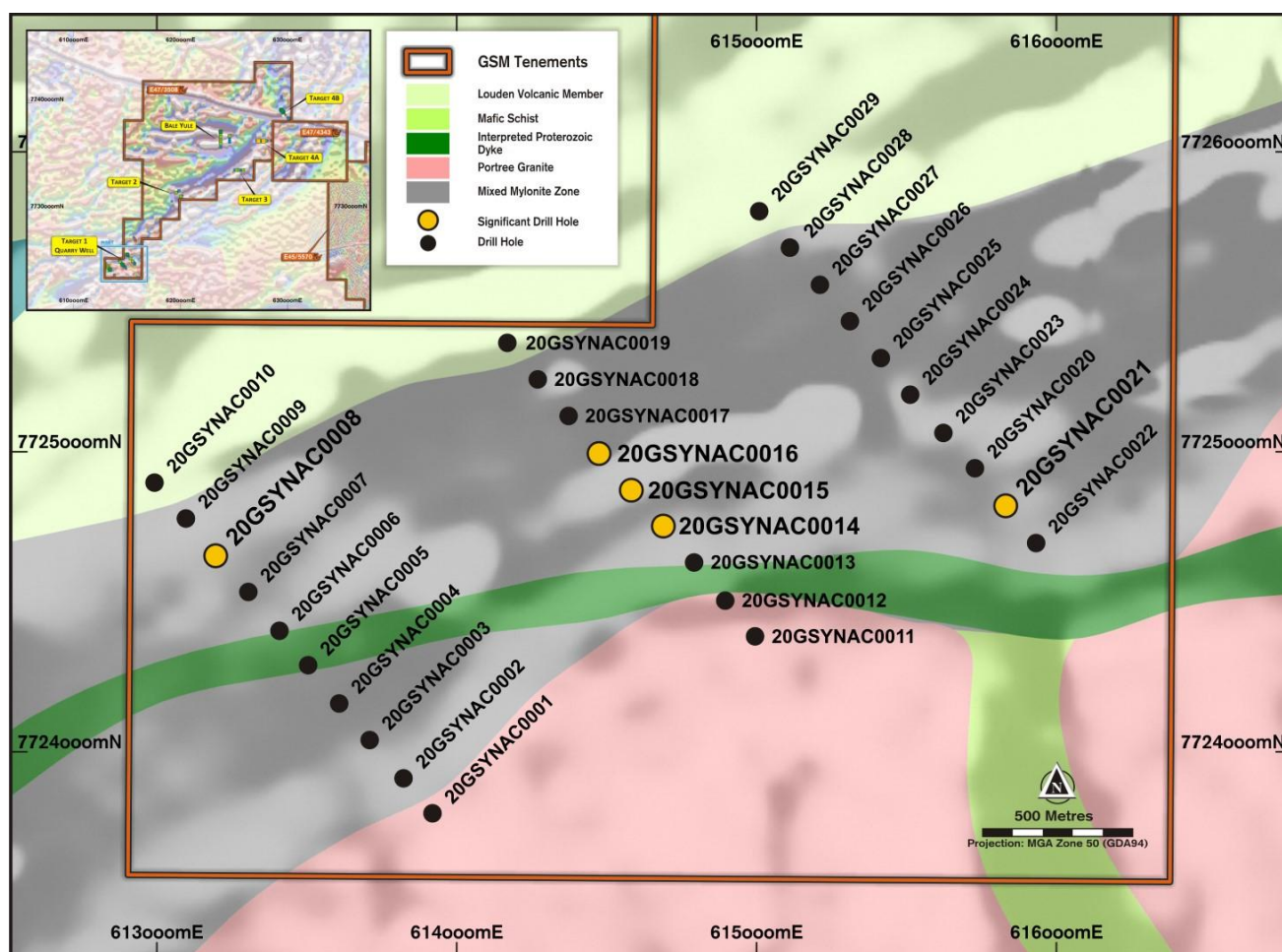


Figure 1: Quarry Well collar location plan showing holes with VHMS pathfinder anomalies

Golden State’s Managing Director, Michael Moore commented: “Since the last company update the GSM technical team and our consultants have been working hard to extract maximum value from our 2020 air-core drilling data. At Yule South, this work has led to an increase in the planned RC gold drill metres by 60%, from 2500 metres to 4000 metres. In addition, at Yule North the ongoing litho-geochemical review has revealed a potential VHMS distal alteration halo at the Quarry Well Prospect. We now look forward to receiving drilling approvals and signing drill rig contracts, so we can maximise the 2021 exploration season at Yule.”

Yule Project 100%GSM

Quarry Well VHMS Pathfinders

At the Quarry Well prospect, located on the Sholl Shear Zone ("SSZ") field logging recorded similar chert intervals in holes 20GSYNAC0008 & 15 (Figure 1). These chert intervals were recorded within a strongly sheared and hydrothermally altered mafic package consisting of quartz-sericite-pyrite schists with elevated zinc and lead portable X-ray fluorescent ("pXRF") readings up to approximately 0.25%.

Golden State also noted that a historic VTEM anomaly (refer to JORC table 1) was also found in the vicinity and therefore the prospect may have some VHMS prospectivity. Further work has revealed a series of holes with elevated zinc, lead, manganese and silver accompanied by a potential distal alteration halo.

Based on this evidence, target selection will now focus on untested magnetic and non-magnetic conductive sources that may represent valid VHMS targets within the SSZ.

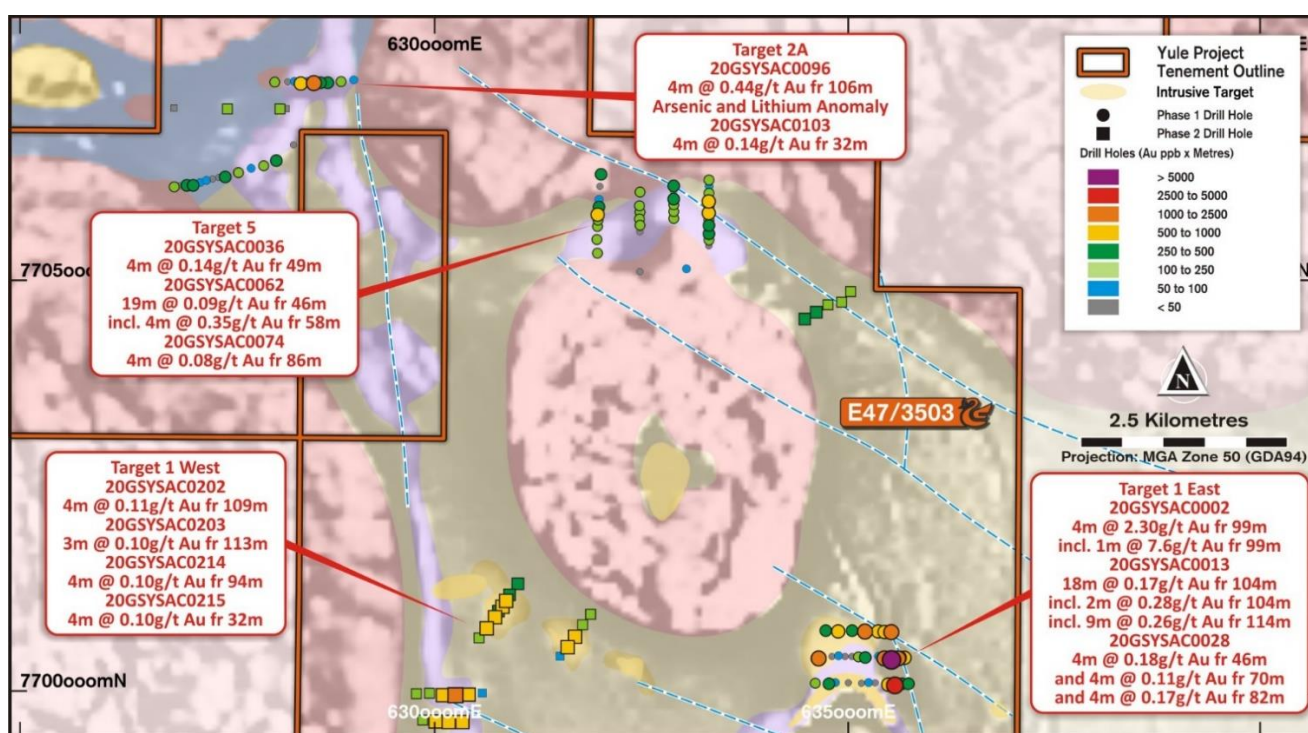


Figure 2: Yule South geological plan showing AC drilling results over planned gold RC drill targets.

Yule South 4000m gold RC program

GSM is planning to test four gold target areas (Figure 2) with anomalous gold and alteration vectors with follow up RC drilling to test fresh bedrock responses to these intersections (refer to ASX announcement dated 17 February 2021). This program has now been expanded to 4,000 metres to accommodate additional zones of prospective geochemistry.

Target 1 East

Magnetic inversion modelling has defined an interpreted north dipping symmetrical anticlinal intrusive structure, which has not been tested by AC blade drilling. Interpreted structural zones outlined by magnetic linear features occur either side of this modelled intrusive which host several gold intersections recorded in Phase 1 AC drilling. GSM will test this target with up to 7 RC holes.

Target 1 West

Significant silica and pyrite alteration has been recorded in addition to multiple intersections of anomalous 0.1g/t gold at this target. These indicators are interpreted as a potential mineralised intrusive at depth. GSM will test this target with up to 4 RC holes.

Target 2A

Phase 1 AC drilling outlined an 800 x 1400 metre arsenic anomaly which was accompanied by two +0.1g/t gold intersections (refer to ASX announcement dated 23 September 2020 & 18 January 2021). Phase 2 drilling confirmed the arsenic anomaly and widespread smoky quartz and tourmaline vein development with associated pyrite and chlorite-sericite alteration suggesting a potentially significant mineralised system at depth. GSM will test the fresh rock at this target with up to 2 RC holes.

Target 5

Petrological work suggests that the mafic package intersected between altered granitoid intrusions (refer to ASX announcement dated 23 September 2020) has been subject to moderate to intense silicification with patchy sericite and pyrite alteration. This target also recorded several anomalous gold intercepts and areas of significant magnetite and leucoxene alteration. GSM is planning follow up RC drilling in appropriate locations with up to 5 RC holes.

GSM is still awaiting statutory approvals from the associated government departments and therefore the planned RC program has been rescheduled to May 2021.

LCT Pegmatite RC 1,500m program

Four LCT pegmatite targets (Figure 3) have been generated based on known lithium pathfinder analysis identified from the phase 1 and 2 AC program results from 2020 (refer to ASX announcement dated 17 February 2021). A 1,500 metre RC program is planned to test these target areas and is currently awaiting statutory approvals. This program is expected to commence late in Q2 2021.

Phase 3 AC drill program

The next phase of reconnaissance AC drilling (refer to ASX announcement dated 17 February 2021) is currently in planning with 15,000 metres designed to test additional gold and lithium targets. It is anticipated exploration license application E45/5570 will be granted soon and will enable target drilling to commence in Q3 2021.

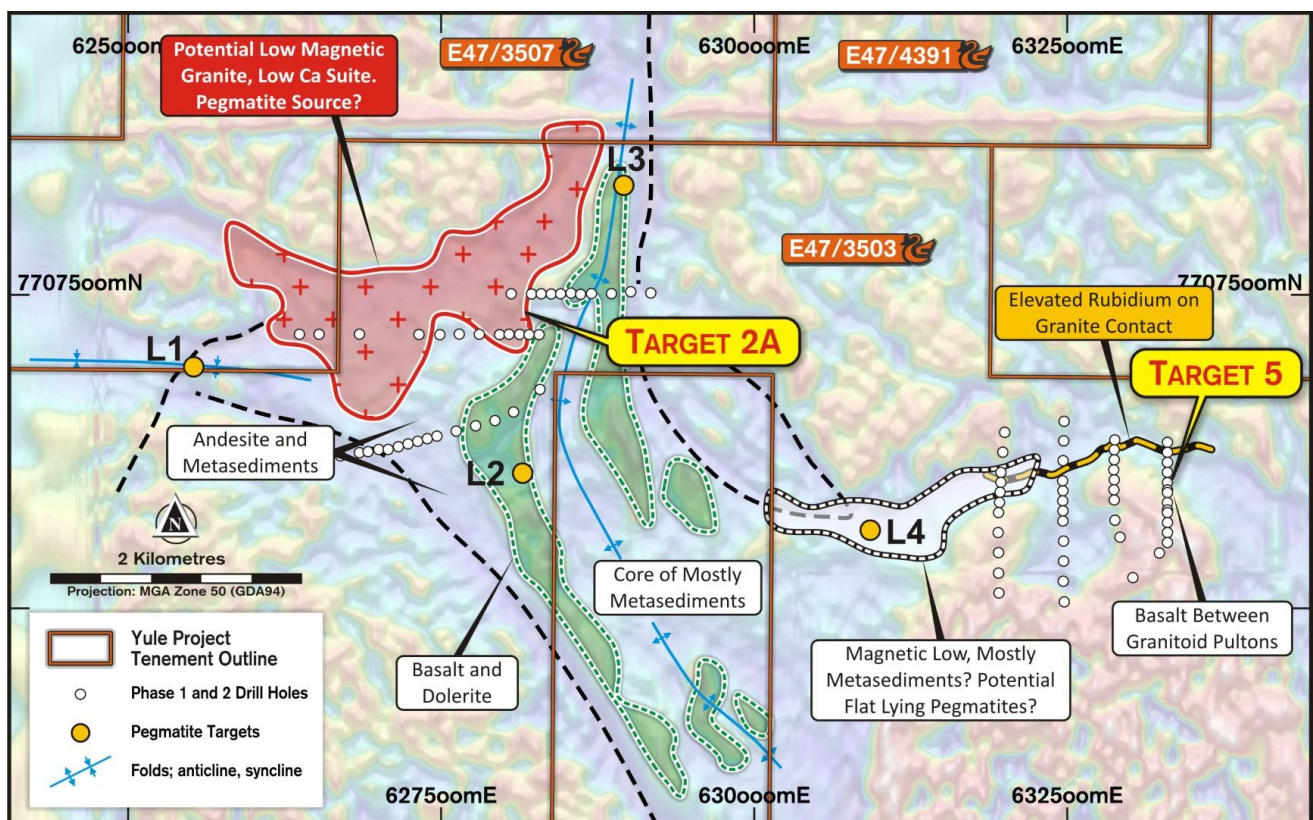
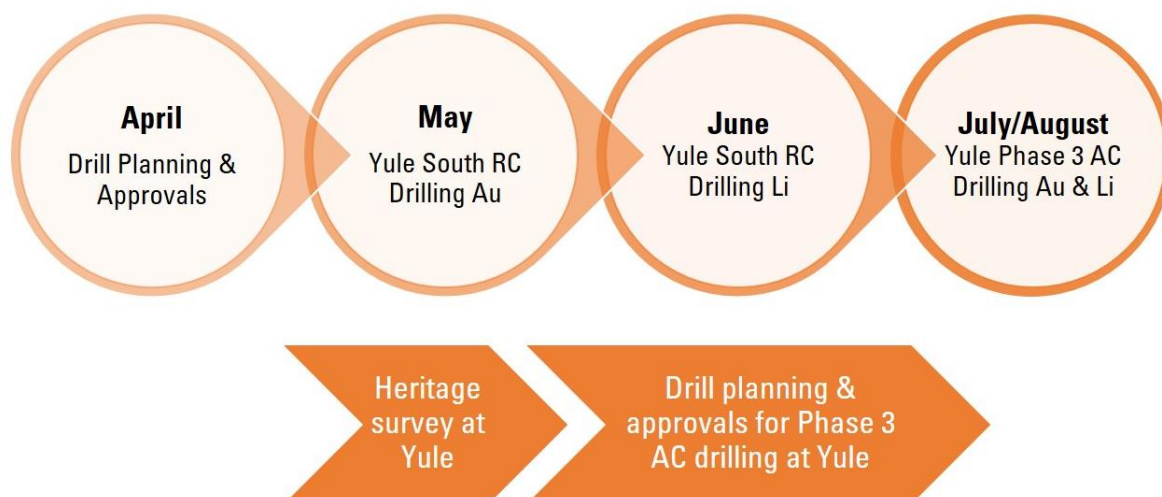


Figure 3: Lithium target locations over structural framework interpretation

Upcoming Yule Activities in 2021



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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	70.8m
Options	16.7 m

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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 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.

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

JORC CODE 2012 Edition - Table 1 Report – Yule Project

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning 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"> The drill sampling methodology has been reported in previous announcements (refer to ASX announcement dated 18 January 2021) An Olympus Vanta M series portable XRF was used to record readings directly onto drill piles at selected intervals down the hole. Reading durations were set at 30 seconds and no calibration factors were applied. <p>Quarry Well VTEM survey - summary details of the VTEM survey can be found in WAMEX report A76979. The Registration number for the Yule VTEM Survey is 60971</p>
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"> NA
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 occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> NA
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> NA

Criteria	JORC Code Explanation	
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> NA
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> NA
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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. 	<ul style="list-style-type: none"> Samples were collected for gold and multi-element analysis using a four-acid digest with ICPMS finish for 60 elements by Intertek Genalysis, Perth. Following the Sample Preparation (Code SP91), samples were assayed for gold with Lab Code FA50/OE04 method. This technique involves a 50g charge for four acid digest with ICP-OES finish. This technique is an industry standard for gold and considered appropriate. Multi-element Assays were returned for the following elements: Ag,Al,As,Ba,Be,Bi,Ca,Cd,Ce,Co,Cr,Cs,Cu,Er,Eu,Fe,Ga,Gd,Ge,Hf,Ho,In,Ir,K,La,Li,Lu,Mg,Mn,Mo,Na,Nb,Nd,Ni,Os,P,Pb,Pd,Pt,Rb,Re,Rh,Ru,S,Sb,Sc,Se,Sm,Sn,Sr,Ta,Tb,Te,Th,Ti,Tl,Tm,U,V,W,Y,Yb,Zn,Zr and Au Gold intercepts calculated with primary Au gold values with Au1 repeat values excluded. Gold intercepts calculated with lower cut of .10 ppb Au, no upper cut, one composite or 1m sample interval (e.g. 1-6m) internal dilution. Magnetic Susceptibility and conductivity measurements collected via a Terraplus KT-10 metre (SI units). An Olympus Vanta M series portable XRF was used to record readings at selected intervals down the hole. Reading duration was set at 30 seconds and no calibration factors were applied. Quality control process and internal laboratory checks demonstrate acceptable levels of accuracy. At the laboratory, regular assay repeats, lab standards, checks and blanks were analysed.

Criteria	JORC Code Explanation	
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> The results have been reviewed and verified by qualified and experienced company personnel. No holes were twinned. Capture of field logging is electronic using a Toughbook. Logged data is then exported as excel spreadsheets to the Company's database manager which is then loaded to the Company's database and validation checks completed to ensure data accuracy. Assay files (csv, pdf) are received electronically from the laboratory. There has been no adjustment to the assay data. The primary gold (Au) field reported by the laboratory is the priority value used for plotting, interrogating, and reporting.
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Drill hole positions were surveyed using a hand-held Garmin GPS64s with a horizontal (Easting/Northing) accuracy of +/-5m. Drill location is managed by the supervising geologist. Grid System – MGA94 Zone 50. Topographic elevation captured by using reading from Garmin handheld GPS with an accuracy of +/-5m and considered suitable for the flat terrain of the project area.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Hole spacing on selective drill lines appropriate for first pass reconnaissance drilling (selective grid orientations- refer Hole Collar table). AC sample batch included both 1m split samples and composite samples (Range 2-6m). No assay compositing has been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 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. 	<ul style="list-style-type: none"> The selective drill-hole orientations considered effective for first pass drilling to assess interpreted structures or targets The orientation of structures is not known with certainty, but drilling was conducted using appropriate orientations for interpreted structures. Bias introduced by drill orientation with respect to structures is not known.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were bagged up in labelled and numbered polyweave bags and trucked to the laboratory in Perth by a reputable freight company. Samples were then sorted and checked for inconsistencies against lodged Submission sheet by laboratory staff. Following analysis, the sample pulps and residues are retained by the laboratory in a secure storage yard.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> All sampling and analytical results of the drill program were reviewed by the Exploration Manager and Managing Director. Anomalous gold intersections were checked against library

Criteria	JORC Code Explanation	
		<i>chip trays to correlate with geology. No specific audits or reviews have been conducted.</i>

Section 2: REPORTING OF EXPLORATION RESULTS:

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> The Yule Project is located approximately 45km south-west of Port Hedland, Western Australia and consists of four granted exploration licences (E 47/3503, 3507 & 3508 and E47/4343) and two exploration licence applications (E47/4391 & E45/5570) covering approximately 708 square kilometres The tenement holder is Crown Mining Pty Ltd., a wholly owned subsidiary of Golden State Mining Ltd The granted tenements are in good standing
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> For details of relevant previous exploration completed by other parties at the Yule Project, refer to the Independent Geologists Report ('IGR') included in the Golden State Mining Ltd prospectus (2018)
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> As drillhole exploration on the project is in its infancy at Yule South, deposit style is unknown at this stage and style of mineralisation is not well understood. Geological setting is Archaean sedimentary basin packages intruded by granitoid Indicators at Quarry Well suggest a volcanic hosted massive sulphide style mineralisation within the Sholl shear zone
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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"> NA

Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • <i>No top-cuts have been applied when reporting results</i> • <i>First assay from the interval in question is reported (i.e. Au1)</i> • <i>No Aggregate sample assays are reported</i> • <i>Significant grade intervals based on intercepts > 50ppb gold</i> • <i>No metal equivalent values have been used for reporting of results</i>
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Criteria	JORC Code Explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<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 (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Mineralisation orientations have not been determined
Diagrams	<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 not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Appropriate summary diagrams are included in the announcement
Balanced reporting	<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 drillhole locations are reported and a table of significant intervals is provided in Appendix 1
Other substantive exploration data	<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"> • Other exploration data considered relevant for the Yule South Project has been included in the Golden State Mining prospectus (2018)
Further work	<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"> • Follow up RC drill programs are planned at Yule South and drill target generation is underway and Quarry Well