

Cue Project Sale

Highlights

- **Agreement to sell Cue project for over \$1.1 million in cash**
- **Non-refundable¹ \$200,000 deposit already received**
- **Allows GSM to focus on its gold and lithium exploration at Yule in the Mallina Basin**

Gold and lithium exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to announce that it has entered into a binding agreement to sell its Cue project, located in the Murchison region of Western Australia, to Cue Revival Pty Ltd ("Cue Revival") for \$1.125 million in cash.

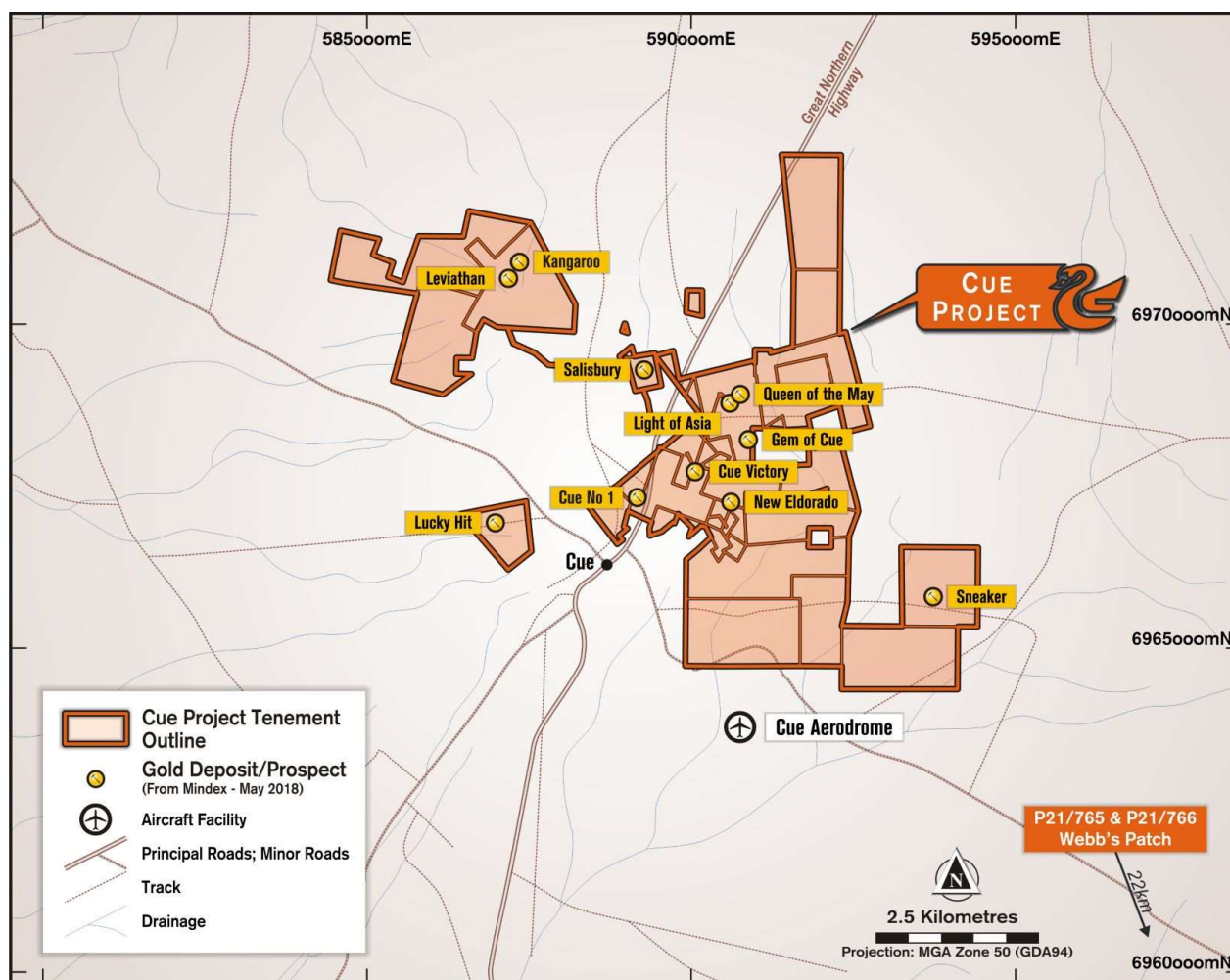


Figure 1: Cue project tenements.

¹ Only refundable if GSM requires, but does not obtain before the agreed completion date, any necessary shareholder or regulatory approvals, and elects to terminate the agreement on that basis.

Golden State's Managing Director, Michael Moore commented: "The cash sale of the Cue project will allow GSM to focus on its 100% owned Yule project, where drilling continues on a number of gold and lithium exploration targets, whilst ensuring maximum upside for GSM shareholders via a tight capital structure and a strong financial position heading into 2022."

Transaction Summary

The Company has executed a binding agreement with Cue Revival for the sale of a 100% interest in the Cue project, the key terms of which are summarised as follows:

- Cue Revival agrees to pay \$1,125,000 in cash consideration to GSM as follows:
 - \$200,000 non-refundable deposit (already paid);¹
 - a further \$925,000 upon completion.
- Completion is scheduled for 5 November 2021. Cue Revival can elect to extend the completion date to 25 November 2021 by paying a further \$25,000 to GSM (such amount to be deducted from the \$925,000 due at completion). GSM can also elect to extend the completion date to 25 November 2021 in certain circumstances.
- GSM retains a royalty on any kaolin produced from the Cue project tenements equal to 200% of the statutory royalty payable to the Western Australian government on such kaolin.

About Cue Revival

Cue Revival is a recently-incorporated, private Australian company owned and operated by Mr Mark Hargreaves, who is based in Western Australia. Neither Cue Revival nor Mr Hargreaves are related parties of GSM or its associates.

The Company understands that Cue Revival currently has no material assets other than the aforementioned \$200,000 deposit but has made enquiries as to Cue Revival's ability to complete the transaction and (most importantly) has agreed terms that provide the Company with sufficient confidence that it will be able to complete. Whilst the Company acknowledges potential risks to completion if Cue Revival is unable to satisfy its remaining obligations to complete the agreement (namely, the payment of an additional \$925,000 to GSM), it is reasonably satisfied that Cue Revival will be able to complete primarily because it has already raised and paid to GSM the \$200,000 deposit and risks forfeiture of that deposit to GSM if it is unable to complete the transaction.

Yule Project Overview

- ✓ GSM's 100% Owned Yule Project ~730km²
 - Strategic ground position in the sought-after **Archaean Mallina Basin**
 - Tenement package hosts intrusive bodies and major structural corridors
 - Seriously underexplored
 - High priority **gold + lithium + base metal** targets
- ✓ Large discrete intrusive targets **15kms from Hemi** with similar magnetic signatures
 - Target 1 East - **4m @ 2.3g/t Au incl. 1m @ 7.6g/t**
 - Target 2A - 800m x 1400m Arsenic Anomaly
 - Alteration - Focussed Quartz-Sericite-Pyrite
- ✓ 2021 drilling programs
 - ~4,000m RC gold program x **3 Targets**
 - ~1,500m RC lithium program x **4 Targets**
 - ~15,000m Air-core gold and lithium program
- ✓ Major regional structures
 - Sholl Shear Zone
 - Yule River Shear Zone
- ✓ The Right Rocks
 - **Archaean Mallina Basin**
 - Large granitic intrusions into volcano-sedimentary sequence
 - Right environment for late discrete intrusives



Exploring for Gold and Lithium at Yule in the Mallina Basin

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	83.0m
Options	17.4 m

REGISTERED OFFICE

Level 1, Suite 15
19-21 Outram Street
West Perth WA 6005

T: +61 (08) 6323 2384
F: +61 (08) 9467 9114
E: info@gsmining.com.au

Golden State Mining Limited
ABN 52 621 105 995

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.

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

For further information please contact:

- Mike Moore (Managing Director) on 08 6323 2384
- Greg Hancock (Non-Executive Director) on 08 6323 2384
- Email: info@gsmining.com.au