

Deal to divest selected Cue tenements

Golden State sharpens WA lithium and gold focus while maintaining exposure to non-core assets

Highlights

- GSM agrees to sell two Cue prospecting licences to Victory Metals Limited
- GSM to receive:
 - ~\$30,000 in Victory shares
 - 1.0% net smelter return royalty
 - 66,666 options in Victory
- Allows GSM to better focus on lithium exploration at Yule and Paynes Find; entrusting Victory to unlock the REE potential on the two prospecting licences

Lithium, gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to announce that it has entered into a binding agreement with Victory Metals Limited (ASX code: "VTM" or Victory) for the sale of a 100% interest in tenements P20/2345 and P20/2346 at Cue, located in the Murchison region of Western Australia.

Golden State's Managing Director, Michael Moore commented: "The consideration mix of this transaction provides GSM with exposure to exploration success by Victory as it progresses its Cue ionic clay REE discovery. This transaction allows GSM to continue to focus on its lithium exploration activities at its 100% owned Yule project in the Mallina Basin as well as the 100% owned Paynes Find lithium project where recent results delivered a number of high priority lithium targets to follow up in 2023."

Transaction Summary

The Company has executed a binding term sheet with Victory for the sale of a 100% interest in tenements P20/2345 and P20/2346 at Cue, located in close proximity to VTM's Cue ionic clay REE discovery, where the system has demonstrated high ratios of heavy rare earth oxides and critical magnet metals NdPr + DyTb.

In consideration for the acquisition:

- Victory agrees to issue GSM 150,000 fully paid ordinary shares in the capital of Victory,
- GSM to receive a 1.0% net smelter return royalty on tenements P20/2345 and P20/2346, and
- GSM to be granted 66,666 options in Victory with an exercise price of \$0.30 per option and expiring 2 years from the date of grant.

BOARD OF DIRECTORS

Michael Moore
 Managing Director

Damien Kelly
 Non-Executive Chairman

Brenton Siggs
 Non-Executive Director

Greg Hancock
 Non-Executive Director

ISSUED CAPITAL

Shares 117.0 m
 Options 21.0 m

REGISTERED OFFICE

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 Limited
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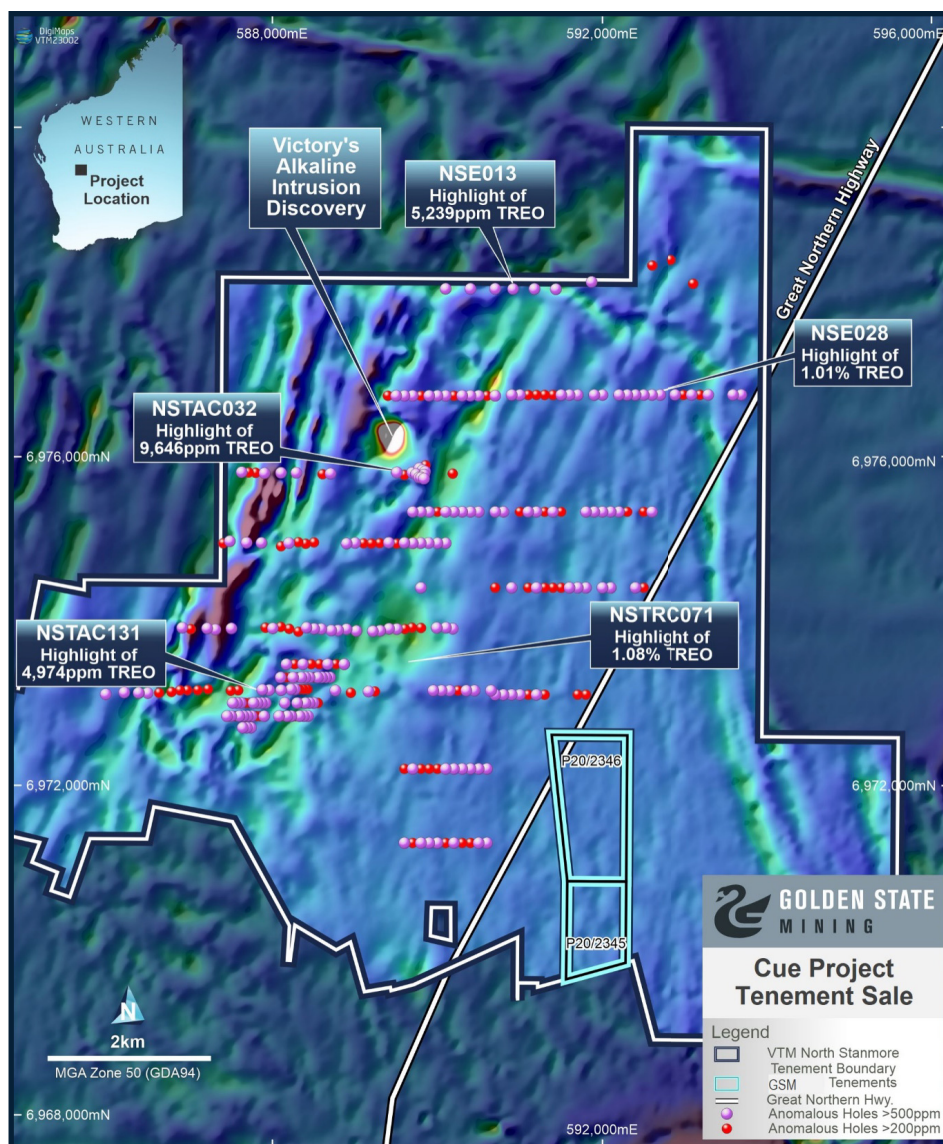


Figure 1: Map showing tenements P20/2345 and P20/2346 and the location of the Victory AC drill holes with anomalous rare earth elements >200ppm and the wide distribution of highlighted assays (refer to Victory ASX announcement dated 13 March 2023).

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:

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