GOLDEN STATE MINING

Flying Start at Cue

Highlights

- **Near Surface Drilling**
  - New mineralised zone identified approximately 500m along strike to the north of historic Light of Asia mine
  - Best intercept includes:
    - Light of Asia North 3m at 20.1g/t (from 64m), including 1m at 56.6g/t – remains open in all directions
    - Salisbury 2m at 6.0g/t (from 80m), including 1m at 7.8g/t – remains open down dip and to the south

- **Diamond Drilling of Seismic Targets**
  - 2 holes completed of a planned four-hole program
  - Broad zones of alteration observed, assay results expected in 3-4 weeks
  - Ongoing work includes petrology, detailed logging, updating of seismic model and further core assay work
  - Co-funding available for further diamond drilling of deep targets

CUE PROJECT – 100% GSM

Golden State Mining Limited (ASX:GSM, 'Golden State' or the 'Company') is pleased to announce encouraging high grade gold results from the shallow RC program and broad structural alteration zones intersected in the diamond drilling program at Cue.

Golden State's Managing Director, Mike Moore, commented:

"The Company's first RC drill program at Cue has been successful in demonstrating significant prospectivity down-dip and along strike of historic workings and previous drilling but more importantly, revealing new high-grade gold intercepts away from the historic workings.

The Company is further encouraged by the observations obtained from the first two deep diamond holes that suggests previously unrecorded alteration and structure will assist in interpreting possible sources of mineralisation.

We are very pleased by the early results of our strategy at Cue to systematically assess the shallow high-grade potential and the deeper targets beneath an established underexplored goldfield."

ASX ANNOUNCEMENT

25 January 2019

ASX Code: GSM

ISSUED CAPITAL

Shares	36.3 m
Options	9.0 m

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Near Surface drilling

The Reverse Circulation (RC) drilling program accomplished the following target criteria:

1) Targeting untested down-dip gold potential related to high-grade historic gold workings and shallow historic drilling

2) Defined structural and 'along trend' targets with negligible existing drill coverage

The Golden State shallow RC program (Figure 1) consisted of 15 holes for a total of 1524 metres varying in depth from 60-152 metres with an average depth of 102 metres. Eight holes (18GSLARC0001-8) were drilled at the Light of Asia and Queen of the May workings including two pre-collars and one diamond tail targeting down-dip and plunge positions and along strike to the north. A further five holes (18GSSLRC0001-5) were drilled at the Salisbury workings targeting similar positions. Another two holes (18GSCNRC0001-2), were drilled at the Cue North Prospect including one pre-collar targeting a down-plunge position to the north of existing mineralisation.

The RC drilling recorded both high-grade gold intercepts and anomalous gold zones in a coarse-grained granodioritic-tonalitic intrusive setting with minor dioritic phases and quartz feldspar porphyry units. A table of collar locations and significant intercepts is included in Appendix 1.

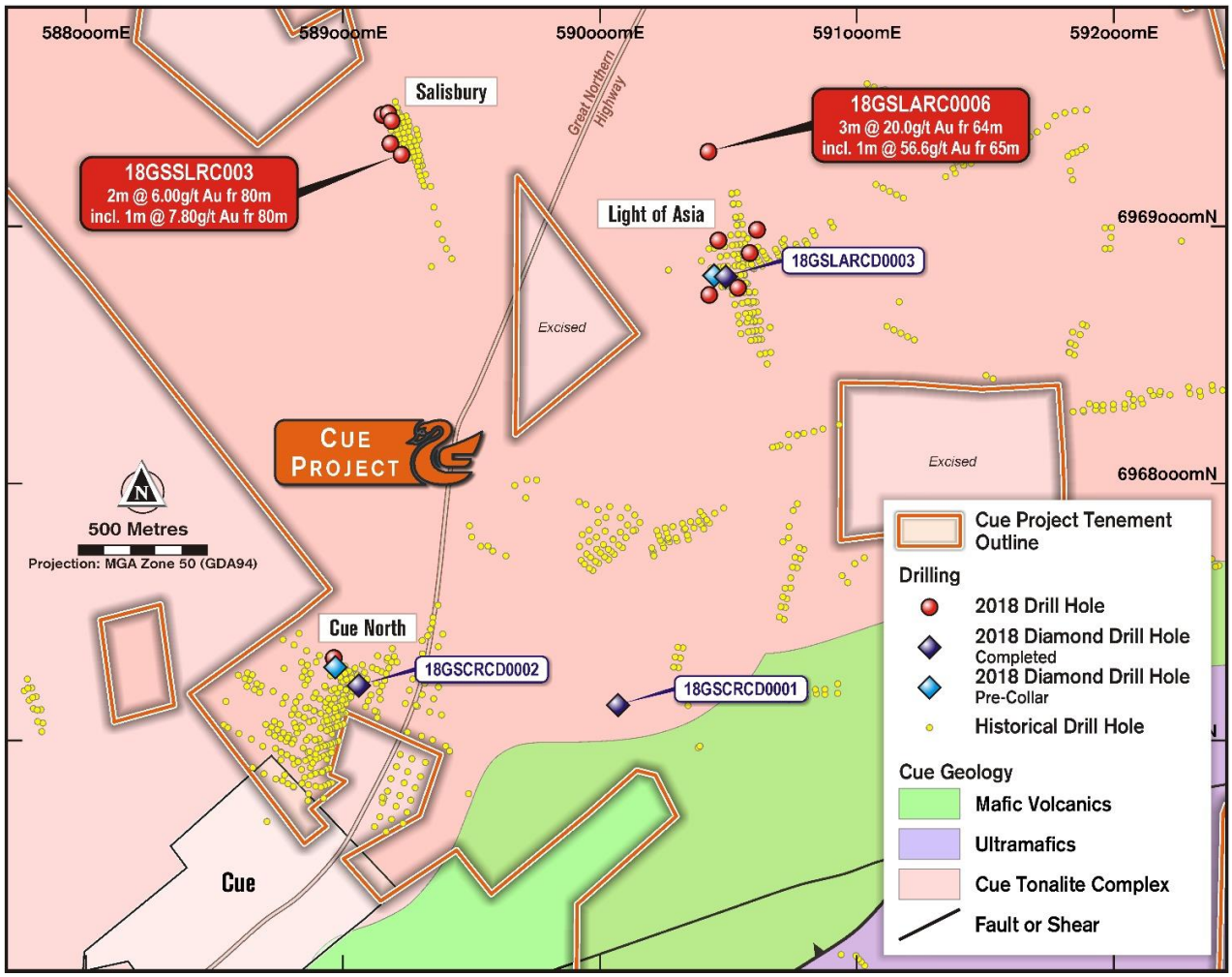

Figure 1: Location Plan of Drill Collars at Cue Project

Field logging of RC chips recorded several highly encouraging zones of weak to strong shearing, persistent quartz veining and weak to strong silica and feldspar (interpreted as albite) alteration with variable chlorite-carbonate-pyrite alteration intervals in several holes. Negligible cover sediments

(approximately 2-3 metres of soil and calcrete) were logged and Depth of Weathering (DoW) was reported in the range 50-60m (vertical depth). All holes (with the exception of one vertical hole) were drilled -60º on NE to SE azimuths to target approximately north trending corridors and structures.

The highest-grade gold intercept occurred on the Light of Asia trend in hole 18GSLARC0006, 3m @ 20.1 g/t including 1m @ 56.6 g/t Au (Figure 2). The mineralised interval consisted of a three-metre (downhole) quartz vein zone within a six-metre interval of slightly weathered, silica-chlorite alteration with variable carbonate-altered intervals on the footwall of a one metre interpreted doleritic unit in the Cue Granite. This high-grade gold intercept is particularly significant, as the mineralised quartz vein zone is located approximately 500 metres north of the historic Light of Asia mine and related historic RC drilling. Hole 18GSLARC0006 targeted the down-dip potential of a historic, shallow anomalous RAB drill hole. The mineralisation remains open in all directions and demonstrates the continued prospectivity and strong potential for high-grade gold mineralisation at relatively shallow depths at the Cue Project. A detailed collar location plan for the 18GSLARC0006 area is provided in Appendix 2.

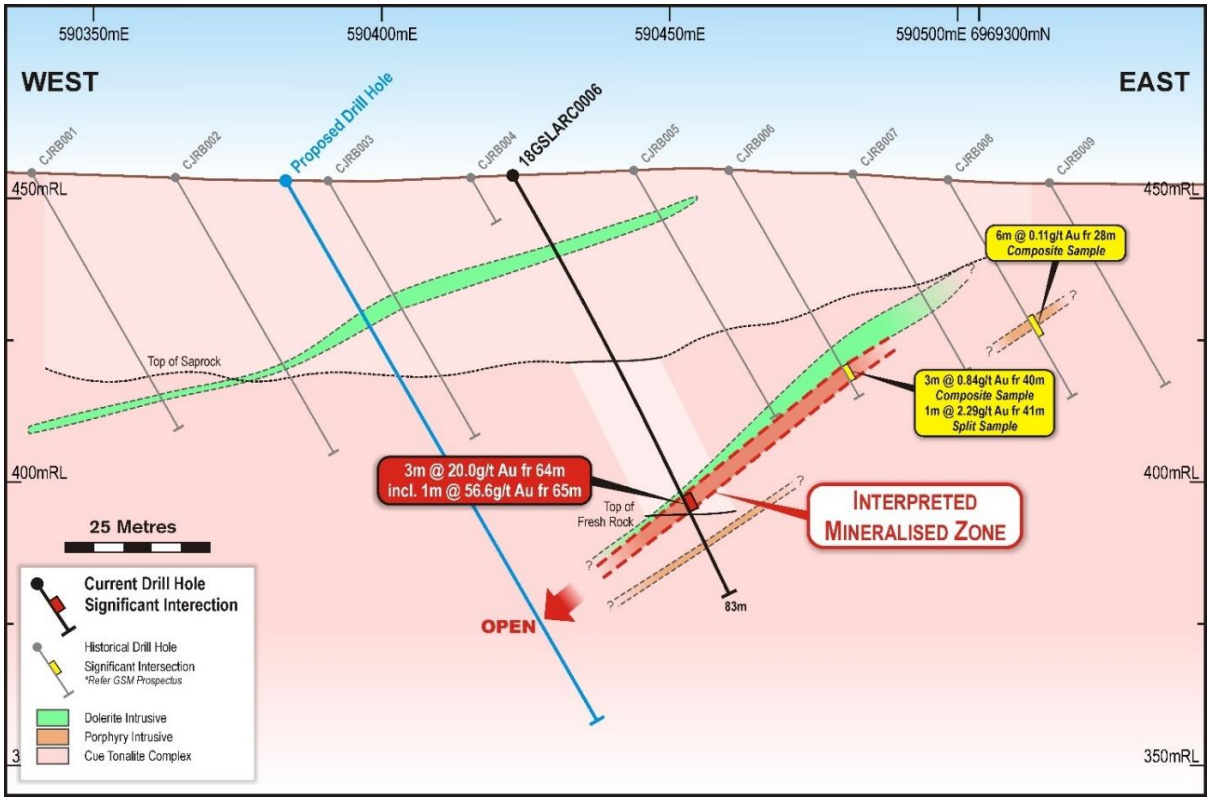

Figure 2: Cross Section of 18GSLARC0006 at Light of Asia North

Diamond drilling at Light of Asia consisted of one hole (18GSLARCD0003) with a 60 metre RC pre-collar and a 38.7 metre diamond tail and was designed to test the up-dip potential of a significant zone recorded in a historic RC hole. Field logging and observations show a complex mylonitic sheared zone on the footwall of porphyry intrusive. The footwall of the sheared zone displays zones of intense silicification containing chlorite alteration and minor sulphides. The core from this hole is still being processed and sections of this hole have been sent for assay with results expected in 3-4 weeks. Another diamond tail testing the down-dip of the same RC hole is planned but results from the first diamond tail will determine if this second hole is required.

Another high-grade gold intercept occurred approximately 40 metres south of the Salisbury workings in 18GSSLRC0003, 2m @ 6.0 g/t (Figure 3). This mineralised interval consists of a five-metre-wide quartz vein zone within a 10-metre interval of slightly weathered silica-chlorite alteration with varying carbonate altered intervals on the footwall of a four-metre interpreted diorite phase in the Cue Granite.

The mineralisation is open down-dip and along strike to the south and is interpreted to represent another high-grade shoot plunging to the north. Another detailed collar location plan for 18GSSLRC0003 is provided in Appendix 2.

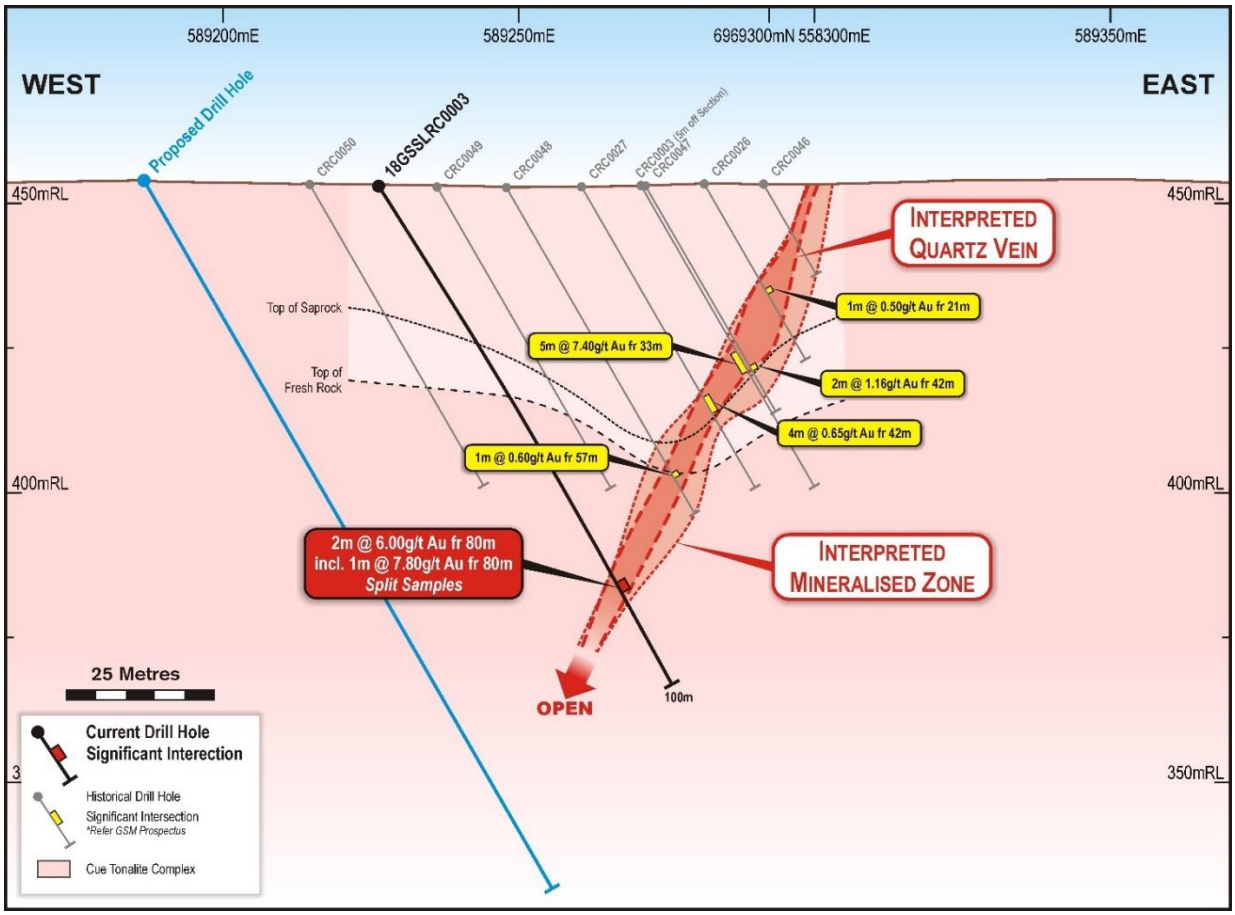

Figure 3: Cross Section of 18GSSLRC0003 at Salisbury

Diamond Drilling of Geophysical Targets

A diamond drill program targeting geophysical anomalies and near surface mineralisation commenced in December 2018. Two deep RC pre-collars for a total of 685 metres were completed with diamond tails for a total of 468.8 metres from a planned four-hole program. 18GSCRCD0001 was designed to intercept a shallow seismic reflector and the greenstone contact based on interpretation of the recent gravity results. 18GSCRCD0002 was designed to intercept a deeper seismic reflector.

The coarse-grained granitic rock observed in the diamond drill core was historically identified as a hybridised granite and referred to as the 'Cue Granite'. GSM has observed significant intervals downhole of strong alteration assemblages previously unrecorded by former explorers which in some intervals completely replaces the original granitic texture. Other lithologies observed included Archaean greenstone (mafic) remnants recorded as basaltic and doleritic types in addition to dioritic and porphyry intrusives. Therefore, Golden State will now refer to this coarse-grained granitic rock as the Cue Tonalite Complex ('CTC'). The CTC is host to numerous, historic high-grade gold workings in the Cue Goldfield.

Field logging of the pre-collar chips and diamond core from 18GSCRCD0001 recorded a major contact metamorphic zone consisting of strongly brecciated intervals of mafic greenstone and granitic rocks. An intensely fractured ultramafic unit was also recorded within an extensive package of fine-grained basalt with minor chemical sediments and tuffaceous units. Substantial zones of silica and feldspar (logged as albite) alteration and shearing was observed with variable chlorite-carbonate-pyrite alteration.

Observations of diamond core from 18GSCRCD0002 included several broad intervals of encouraging weak to strong shearing, persistent quartz stockwork veining accompanied by weak to intense silica and feldspar (logged as albite) alteration with variable chlorite-carbonate-pyrite alteration.

GSM is currently fast-tracking detailed work on the diamond core including petrological analysis, detailed lithological and structural logging, updating of seismic modelling and core cutting and analysis work. Laboratory results are expected in 3-4 weeks. To assist with this work, GSM has contracted a specialist geological consultant to provide technical advice and a detailed report. Final positioning of the remaining two planned holes of this program will be based on comprehensive analysis of the information gained from the first two holes and the resulting exploration model.

The Company intends to use the state government Exploration Incentive Scheme (EIS) co-funding (see GSM ASX announcement dated 3rd December 2018) for this program.

Further Exploration Planned

The Company is highly encouraged by the results from its dual focused, inaugural drilling program at Cue that targeted down-dip and along strike extension of historic workings and the deeper targets identified through the use of geophysical techniques.

The design of follow up drilling and exploration programs to target further extensions of the high-grade intersections at the Light of Asia and Salisbury prospects will be influenced by the outcomes of the continued technical evaluation of the diamond core material and preliminary assessments of potential economic gold mineralisation close to surface.

Early work on the deeper drill core, which displays significant zones of alteration and structural complexity, has resulted in the need to deploy specialist resources on its evaluation. Exciting further work over the coming weeks (outlined above) will allow GSM to develop a focused exploration and effective drilling strategy based on an enhanced understanding of the Cue mineralisation controls.

For further information please contact:

- Mike Moore (Managing Director) on 08 6323 2384
- Trevor Beazley/Nanne van 't Riet (Maiden Capital) on 0419 939 820/ 0400 902 940.

About Golden State Mining

GSM is a Western Australian minerals exploration company listed on the Australian Securities Exchange (ASX:'GSM'). The company's prime focus is the exploration and development of three highly prospective Western Australian gold projects.

CUE PROJECT

The company's cornerstone project is located adjacent to the historical town of Cue in the Murchison district.

- Approximately 645km by road northeast of Perth
- Targeting large gold systems
- Proven Gold Region - produced over 7Moz of gold the past 126 years
- Day Dawn/Great Fingall mine (1.7Moz production) ~5km along trend
- Exploration potential significantly bolstered by recent seismic interpretation at Cue.
- Historic mines operated until around the 1920's exploiting high grade +15g/t gold shoots

YULE PROJECT

- The Yule Project is located between 35km and 65km southwest of Port Hedland in the Northern Pilbara region of Western Australia
- Three granted exploration licences for a total of 434km^2 comprising the Yule North tenement E47/3508 and the Yule South tenements E47/3503 and E47/350 capture a significant portion of the Pilbara region
- Potential targets identified from airborne geophysics at Yule South
- Negligible follow-up work completed
- Review of historical drill assay data at Yule North has identified anomalous lithium with associated anomalous values of cesium
- Prospective for gold, base metals and lithium

FOUR MILE WELL PROJECT

- The Four Mile Well Project is located 9km to the north of the Laverton townsite in the Eastern Goldfields and consists of a single 38 block exploration licence (approximately 107 km^2)
- The region is well endowed with a number of major gold and nickel deposits within close proximity to the Four Mile Well Project area
- Significant nickel sulphide deposits (Windarra and Mt Windarra) are located to the west of the project area and the 1.3Moz Lancefield gold deposit is located less than 1km to the south
- Previous work has identified several geochemical gold anomalies which will be followed-up with closer spaced geochemical sampling

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, Mineral Resources or Ore Reserves is based on information compiled by Geoff Willetts who is a member of the Australasian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager and 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 for the Cue Project, is summarised in the Independent Geologists Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

APPENDIX 1

Table 1. Cue Shallow RC Drilling – Significant Intercepts

Prospect	HOLE_ID	TYPE	DEPTH	Easting (m)	Northing (m)	COLL_RL	DIP	Azimuth	From	Interval	Au g/t
Cue North	18GSCNRC0001	RC	120	588,965	6,967,321	458	-58	114	Awaiting assays		
Light of Asia	18GSLARC0001	RC	78	590,537	6,968,761	458	-60	80	48	4	1.78
Light of Asia	18GSLARC0002	RC	152	590,425	6,968,733	457	-60	80	128	1	0.75
Light of Asia	18GSLARC0004	RC	80	590,444	6,968,808	455	-60	80	No significant results		
Light of Asia	18GSLARC0005	RC	134	590,461	6,968,945	455	-90	0	83	1	0.55
				And					100	1	0.52
Light of Asia	**18GSLARC0006**	**RC**	**83**	**590,422**	**6,969,290**	**454**	**-60**	**78**	**64**	**3**	**20.06**
				Including					**65**	**1**	**56.64**
Queen of the May	18GSLARC0007	RC	133	590,611	6,968,986	455	-60	150	No significant results		
Queen of the May	18GSLARC0008	RC	73	590,583	6,968,896	454	-60	150	52	6	0.68
Salisbury	18GSSLRC0001	RC	125	589,154	6,969,433	451	-60	78	No significant results		
Salisbury	18GSSLRC0002	RC	125	589,185	6,969,321	453	-57	76	108	2	0.91
				Including					108	1	1.62
Salisbury	**18GSSLRC0003**	**RC**	**100**	**589,228**	**6,969,278**	**453**	**-57**	**74**	**80**	**2**	**6.02**
Salisbury	18GSSLRC0004	RC	93	589,177	6,969,439	451	-60	75	No significant results		
Salisbury	18GSSLRC0005	RC	102	589,190	6,969,409	452	-58	78	75	1	0.78

Note

1) An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is unknown at this time.
2) In RC drilling, composite four metre samples were collected with smaller composites if end of hole reached. One metre individual samples are submitted for priority analysis where four metre composite assays are greater than 100ppb Au.
3) All samples are analysed using a 50g fire assay with AAS (atomic absorption spectrometry) finish gold analysis (0.005ppm detection limit) by MinAnalytical in Canning Vale, Western Australia
4) g/t (grams per tonne), ppm (parts per million), ppb (parts per billion), X = below detection limit
5) Intersections are generally calculated over intervals >0.5g/t Au in fresh rock and >0.01g/t Au in weathered rock where zones of internal dilution are not weaker than 2m < 0.1g/t Au.
6) Type: RC = Reverse Circulation
7) Coordinates are in GDA94, MGA Z50

APPENDIX 2

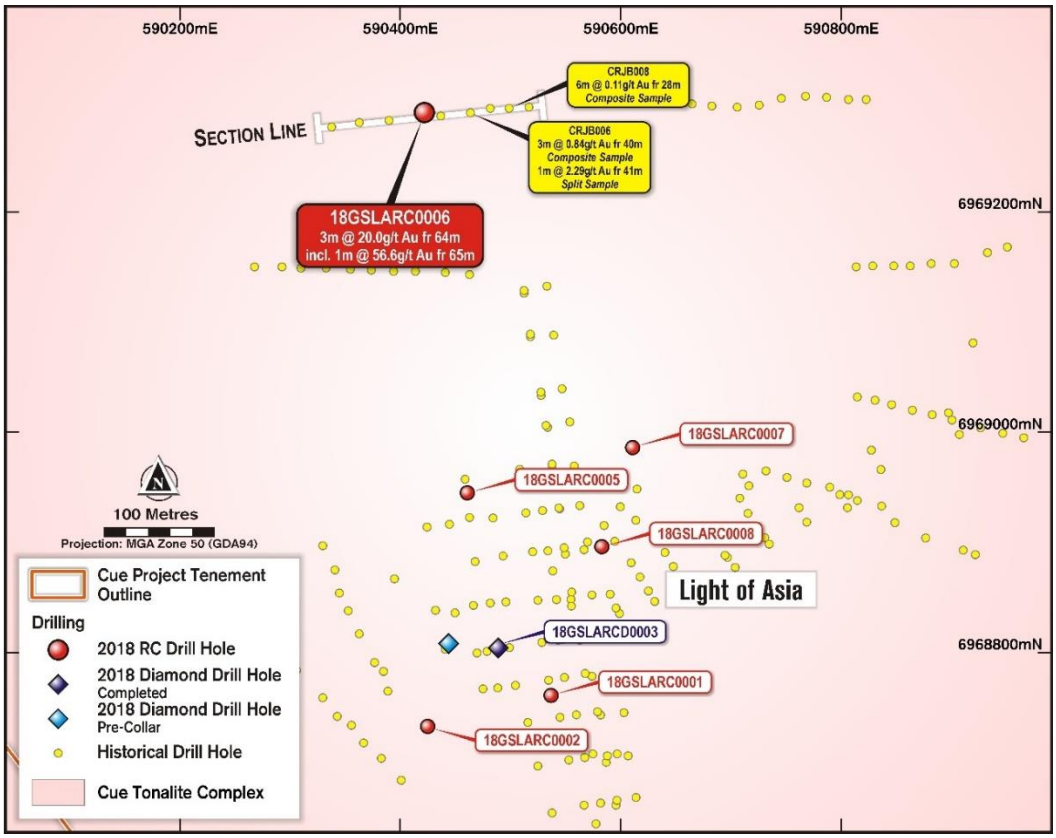

Figure 4: Location Plan of 18GSLARC0006 at Light of Asia North

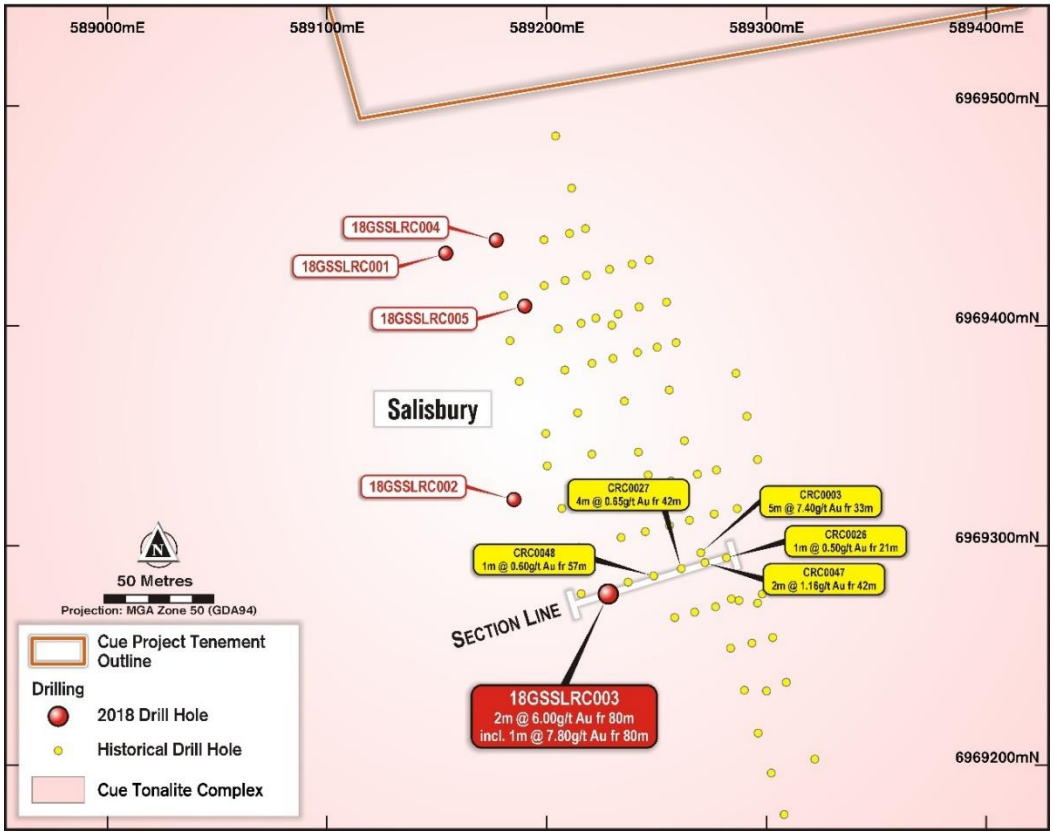

Figure 5: Location Plan of 18GSSLRC0003 at Salisbury

JORC CODE, 2012 Edition - Table 1 Report – Cue Project

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• The drill sampling reported in this release has been completed using Reverse Circulation (RC) drilling at the Cue Project, to the north of the Cue township, Western Australia. The RC program consisted of 15 holes for 1524 m, Holes varying in depth from 60-152m with an average depth of 102m. Program work utilised sampling procedures and QAQC protocols in line with industry best practice. • RC samples were collected from the rig-mounted cyclone at 1m intervals in plastic bags and arranged in rows of 20-40m (20-40 samples). A combination of composite (2-6m) were then collected by PVC spear or aluminium scoop. One (1m) split samples from intervals of geological interest were also collected via the on-board rig splitter to produce a bulk 2-3kg sample. • Diamond core (NQ2 diameter) is cut utilising an Almonte automatic core saw and sampled on geological intervals generally not exceeding 1.5m and sampled as half core.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• The Reverse Circulation (RC) drilling was completed by a KWL350 rig from Challenge Drilling (Kalgoorlie-Boulder). A 5½'' (approximately 140mm) face sampling hammer was used for the drilling program. • The diamond drilling program was completed by Westcore Drilling utilising a UDR1000 drilling rig recovering NQ2 core. Three diamond tails have been completed for 468.8m
Drill sample recovery	• *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.*	• Drill samples were good quality, negligible contamination and >99% dry. Diligent drilling and ROP (Rate of Penetration) provided very good sample recovery. Sample recovery data and sample condition (dry, wet, moist) was recorded at time of drilling. • Drilling with care (e.g. clearing hole at start of rod, regular cyclone cleaning) to reduce incidence of wet/moist samples. • Insufficient sample population to determine whether relationship exists between sample recovery and grade. The quality of the sample (wet, dry, low recovery) was recorded during logging. • Diamond core, core recovery is recorded as a percentage of every sample interval.
Logging	• *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.*	• Detailed logging of, regolith, lithology, structure, veining, alteration, mineralisation and recoveries recorded in each hole by qualified geologist. • Logging carried out by dry/wet sieving 1m

Criteria	JORC Code Explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	sample cuttings, washing and archival samples collected in plastic chip trays for future reference. • Every hole was logged for the entire length.
Sub-sampling techniques and sample preparation	• *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.*	• Core was cut with a diamond blade saw at the MinAnalytical laboratory in Canning Vale. Half core is crushed to 90% nominally pass 75Um. • Composite (2-6m) and 1m samples were collected by scoop or PVC spear and sampling of 1m intervals directly off rig-mounted splitter into pre-numbered calico bags. Sample weight 2 - 3 kg. Collected samples bags placed in labelled and numbered plastic and/or polyweave bags for despatch to assay laboratory. • The sample preparation of the RC samples follows industry best practice, involving oven drying and pulverising to produce a homogenous sub sample for analysis. • Field duplicate samples collected as part of QA/QC procedure which also involved the use of certified STANDARD and BLANK samples (supplied by GEOSTATS Pty Ltd, Perth). Standards and blanks were inserted (approximately every 25 samples) and were included in the laboratory analysis. Standards were certified reference material prepared by Geostats Pty Ltd. Duplicate samples were collected at intervals of interest.
Quality of assay data and laboratory tests	• *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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were collected for gold analysis and this analysis work was completed at MINAnalytical, Perth. Following the Sample Preparation (Code SP3000) outlined above, samples were assayed for gold with Lab Code FA50AAS method. This technique involves a 50g Lead Collection Fire Assay technique AAS finish. • Gold intercepts calculated with primary Au gold values with Au1 repeat values excluded. Gold intercepts calculated with lower cut 0.10 g/t Au, no upper cut, one composite or 1m sample interval (e.g. 1-6m) internal dilution. Fire Assay is an economical and effective total digest analysis technique for target elements. • Magnetic Susceptibility measurements collected via Fugro RT-1 Magnetic Susceptibility metre (SI units). • 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	Commentary
Verification of sampling and assaying	• *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.*	• 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	• *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.*	• 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. Frequent (approx. every 30m) downhole surveys were completed using a CHAMP Gyro. • Grid System – MGA94 Zone 50. • Topographic elevation captured by using reading from Garmin hand held GPS with an accuracy of+-10m and considered suitable for the flat terrain.
Data spacing and distribution	• *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.*	• Hole spacing on selective drill lines (selective grid orientations- refer Hole Collar table) to follow up along trend/down-dip potential of historic drill-hole gold anomalies and historic workings. • RC 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	• *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.*	• The selective drill-hole orientations considered effective to evaluate the northerly to westerly trending zones and structures of interest. The RC drill holes were intended to assess along trend and down-dip/down plunge potential of high-grade historic workings and previous explorers' encouraging gold intercepts and were orientated appropriately to maximise probability of unbiased sampling of the geological trends.
Sample security	• *The measures taken to ensure sample security.*	• Samples were bagged up in labelled and numbered polyweave bags and trucked to the laboratory in Perth by Company field personnel. 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	• *The results of any audits or reviews of sampling techniques and data.*	• 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 chip trays to

Criteria	JORC Code Explanation	Commentary
		correlate with geology. No specific audits or reviews have been conducted.

Section 2: REPORTING OF EXPLORATION RESULTS – CUE PROJECT

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• The Cue Project is located adjacent to the township of Cue, in the Murchison region of Western Australia and consists of a generally contiguous package of tenements and applications held (legally or beneficially) by Cue Consolidated Mining Pty Ltd, a subsidiary of Golden State Mining Ltd ('GSM')., Those tenements not held legally by CCM have been sold to CCM from, and are currently legally held by Western Mining Pty Ltd ('WM') or Lefroy Exploration Limited ("LEX"). Those tenements are subject to transfers which area awaiting assessment and payment of stamp duty to be processed to transfer legal ownership to CCM. Some of the tenements are subject to royalties and other encumbrances set out in the GSM prospectus, dated 22/8/18, also including rights and obligations with the various traditional owner groups that have either granted native title or native title claims that overlap the projects. Further details are set out in the GSM prospectus, dated 22/8/18 – see in particular sections 6 (Solicitor's Report on Tenements - part 8, items 3-8) and 11.1 of the prospectus for a summary of the royalties and other key obligations. • The tenements are current and in good standing with the Department of Mines, Industry Regulation and Safety (DMIRS) of Western Australia.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Considerable previous exploration work was completed on the Cue Project including explorers Newcrest Mining, St Barbara, Metana and Cougar Metals. These and other companies completed phases of geochemistry programs, Vacuum drilling, Aircore (AC), Reverse Circulation (RC) and Diamond drilling (DDH) and further details are reported in the GSM Prospectus.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cue Project is located in the Youanmi Terrain of the Archaean Yilgarn Craton. Project-scale geology consists of granite-greenstone lithologies that were metamorphosed to Greenschist facies. The Archaean lithologies are cut by Proterozoic dolerite dykes. More detailed information is provided in the ITAR. • Mineralisation observed to date is similar to the mineralisation historically mined in several workings within the Cue region and within the GSM tenements. All of these deposits are orogenic lode deposits and are

Criteria	JORC Code Explanation	Commentary
		characterized by multiple stacked lodes of quartz veins within both the early granitic gneiss or the greenstone sequences of the Luke Creek Group.

Drill hole Information	• *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:*
	  • *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.*
		• Table containing drill hole collar, survey and intersection data for material (gold intersections >0.5 g/t Au) drill holes are included in the Table in the body of the announcement.
		• No Information has been excluded.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Intercepts are reported as down-hole length (whole metres in the case of RAB, AC and RC drilling) and average metal or element intercept values > 0.10 g/t. No upper cut applied for high grades. A lower cut off of 0.1 g/t Au has been used to identify significant results. • Where present, higher grade values are included in the intercepts table and assay values equal to or > 1.0 g/t Au have been stated on a separate line below the intercept assigned with the text 'including'. • Reported RC results have been calculated using 1m split samples and composite samples. • No metal equivalent values or formulas used.
Relationship between mineralisation widths and intercept lengths	• *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').*	• All results are based on down-hole metres. • Previous exploration drilling has provided some guidance for the moderate to steep dipping shear/vein zones and angle drilling is considered the most appropriate hole angle to assess targeted structures.
Diagrams	• *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.*	• Appropriate summary diagrams (section & plan) are included in the accompanying announcement.
Balanced reporting	• *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.*	• Significant assay results are provided in Appendix 1. • Drill holes with no significant results are also listed in Appendix 1. • Significant assay results from historical drilling are noted in the body of the report.
Other substantive exploration data	• *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*	• All relevant data has been included within this report.

Criteria	JORC Code Explanation	Commentary
	method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	• *The nature and scale of planned further work (e.g. 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.*	• The appropriate next stage of exploration planning is currently underway and will be influenced by pending multielement analysis work, geophysical interpretation and ongoing 3D targeting and petrological studies.