

Results Roundup and Forward Programme

HIGHLIGHTS

- **CUE Project**
 - Further RC drilling at Light of Asia North planned for May 2019, following up intersection of 3m at 20.1g/t (from 64m), including 1m at 56.6g/t (remains open in all directions)
 - Government co-funded drilling planned for May 2019 to target intersections of the main structural trends hosting shear-related gold mineralisation
 - Target generation completed for newly acquired Cuddingwarra Project
- **YULE Project**
 - Targets prioritised for drill testing Q3 2019 field season
- **FOUR MILE WELL Project**
 - Field program preparation is underway for the upcoming 2019 field season
 - Active drilling programme being planned

Golden State Mining Limited (ASX: GSM, 'Golden State' or the 'Company') is pleased to provide an exploration update regarding drill results and planned exploration activities for the 2019 Field Season.

Managing Director Michael Moore commented "Since listing we have generated significant gold intercepts requiring further targeted drilling; increased our Cue land holding to more than 175km² and commenced a very active drill program which will continue not only at Cue but also at the Yule project during this field season."

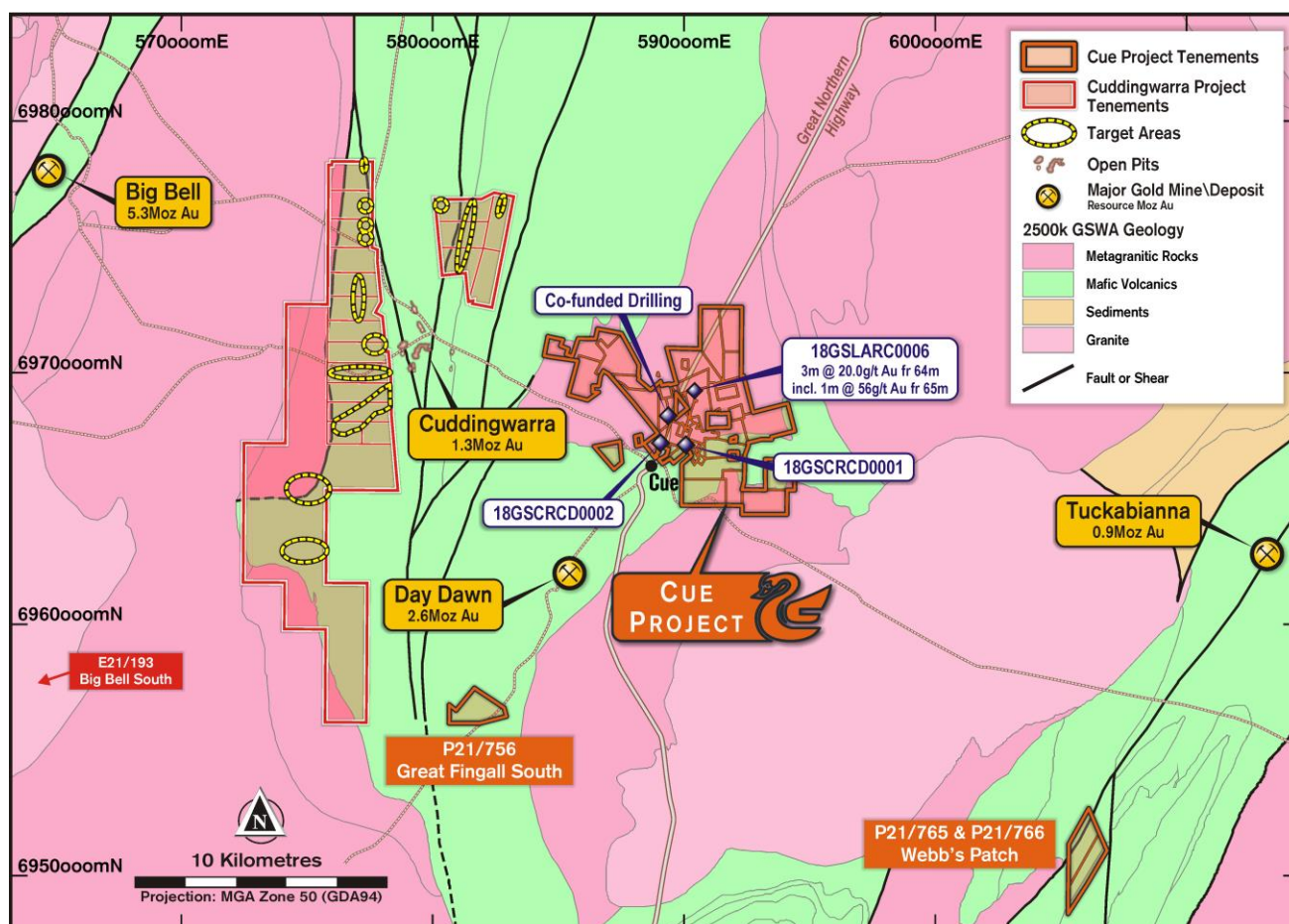


Figure1: Exploration Location Plan for Cue and Cuddingwarra Projects

CUE PROJECT – 100% GSM

Light of Asia

Follow up drilling at the Light of Asia North Prospect is planned to build on the high-grade intercept in 18GSLARC0006 (3m @ 20 g/t including 1m @ 56 g/t Au -refer to ASX announcement dated 25 January 2019). Along strike and downdip positions within the historic high-grade Light of Asia trend will now be targeted in addition to predicted down-plunge positions of the first pass intersection. The Company is finalising statutory approvals with drilling scheduled for May.

Co-funded Diamond Drilling

The next phase of diamond drilling is now planned further to the north of 18GSCRC0002 to follow up the broad low-grade gold intersection revealed in that hole and to target intersections of the main structural trends hosting shear-related gold mineralisation. The Company is also completing the statutory approvals process and expects drilling to commence in May 2019.

Seismic Reflector Targets

The results of comprehensive follow up studies on the two holes targeting the two previously identified seismic reflectors are now complete. Petrological analysis mostly confirmed the alteration assemblages initially interpreted by GSM (see ASX announcement 25 February 2019). Whilst structural analysis didn't identify major structural features it did recognise the potential for discovery of a large-scale mineralised system nearby, hence the proposed further diamond drilling. The geophysical analysis completed by HiSeis (Perth) indicates that the seismic reflector targeted in 18GSCRC0001 can be explained by the properties of the various greenstone rocks intersected in a broad shear zone. The deeper seismic reflector targeted in 18GSCRC0002 was not the interpreted extension of the Great Fingall sequence but has been explained by a series of late micro-dolerite dykes intersected at a similar depth.

Cuddingwarra Project

The recently acquired Cuddingwarra Project is considered highly prospective to GSM's regional exploration strategy. The new tenements are considered positive, 'Greenfields' exploration ground and cover substantial, prospective and underexplored greenstone stratigraphy and structure in a well-endowed gold mining district either along strike, or in the vicinity of previous and current gold mining operations (Figure 1).

A new Targeting Study at Cuddingwarra has now been completed and resulted in the generation of 12 priority gold targets. The study not only highlighted the prospectivity of the new tenure, but also the need to more adequately test the sparse historic drilling completed to date.

Several high priority targets at the Cuddingwarra Project have been delineated and include:

- 1) Shallow drillholes with gold anomalism;
- 2) Coincident gold-in-soil and base-metal anomalies and SAM (Sub Audio Magnetic) geophysical anomalies;
- 3) Re-interpretation of structural complexity;
- 4) Re-examination of the Cuddingwarra Project, which bookends the Cuddingwarra Mining Centre, where a series of shallow gold pits have been previously mined.

Drill planning and logistics are well underway to commence in Q3 of the 2019 field season.

YULE PROJECT – 100% GSM

Yule North (E47/3508)

A reconnaissance visit was conducted in the December 2018 quarter, which located historic drill collars¹ completed in 2010 (Figure 2). This drilling targeted an Archean mafic-ultramafic intrusion and intersected 14m of 0.51% Nickel and 0.02% Cobalt from 38 metres vertical depth within an interpreted weathered clay rich serpentinite rock.

Petrographic analysis work on some associated remnant drill cuttings identified a hydrothermally altered pyroxenite, which raises the possibility of upgrading the Nickel-Cobalt content by structurally controlled fluid flow.

Nearby petrological analysis also identified a tourmaline-bearing pegmatite unit which may explain the presence of numerous anomalous lithium values in a nearby drillhole, of up to 715 ppm Li₂O in one metre with six other metres having > 200 ppm Li₂O. This finding is significant and highlights the potential for the discovery of further lithium mineralization in this vicinity.

A detailed interpretation of airborne and ground based geophysical data in addition to other previous drilling is underway to generate further exploration and potential drill targets. Drilling is currently being planned for Q3 in the 2019 field season.

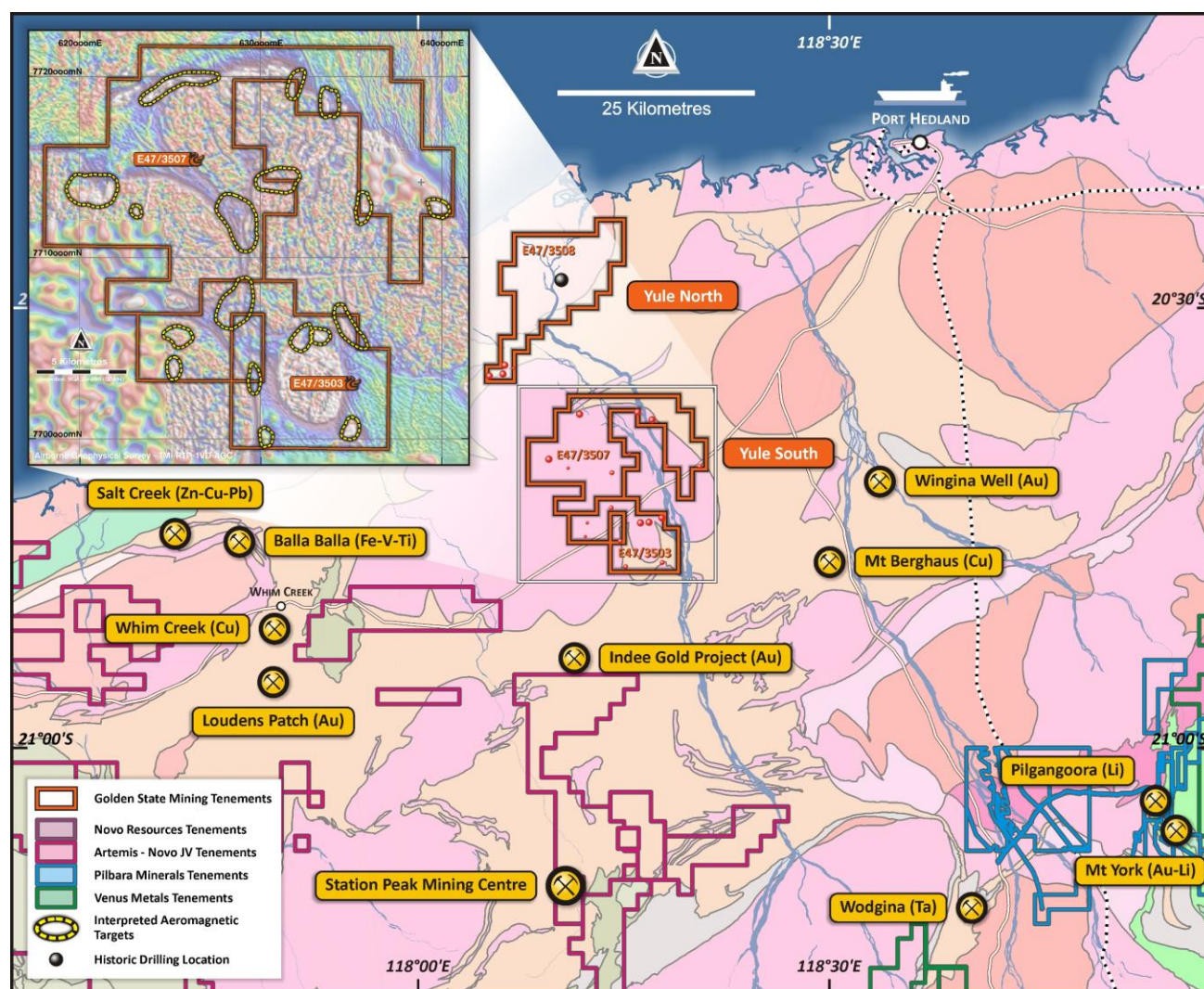


Figure2: Exploration Location Plan for Yule Project

¹ See GSM prospectus 2018

Yule South (E47/3503 and E47/3507)

A previous interpretation of airborne geophysical data² over the Yule South area identified several targets which have never been followed up or drill tested. These targets have now been re-prioritised and will be subject of higher resolution geophysical surveys and subsequent drill targeting during the 2019 field season.

FOUR MILE WELL PROJECT – 100% GSM

The Four Mile Well Project is located in the world class Laverton region with major gold (Lancefield 1.3 Moz gold production) and nickel (Mt Windarra) mines in close proximity to the project area.

A review of the previous explorer's work has revealed untested soil and auger gold anomalies with no apparent reconnaissance drill testing observed on the ground. Field program preparation, including reconnaissance scout drilling is scheduled for the upcoming 2019 field season.

² See *GSM prospectus 2018*

For further information please contact:

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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 project areas.

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
- 175km² of tenements including Big Bell South
- 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
- Historic mines operated until around the 1920's exploiting high grade +15g/t gold shoots



YULE PROJECT

- The Yule Project is prospective for gold, base metals and lithium
- 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 434km² capture a significant portion of the Pilbara region
- Targets identified from airborne geophysics at Yule South
- 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 km²)
- 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

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.