

AGREEMENT TO ACQUIRE THE COX'S FIND GOLD PROJECT

HIGHLIGHTS:

- Great Southern Mining (ASX:GSN) has entered an agreement to acquire 100% interest in 3 granted Mining Leases hosting the historical high-grade Cox's Find Gold Mine.
- Project is located in the world class gold district, 65km north of Laverton and in close proximity to multiple gold operations and infrastructure.
- Historical production of approximately 77,000 ounces of gold at a grade >21 g/t.
- Last significant exploration conducted in the 1990's and held under private ownership for 30 years.
- Due diligence has commenced with GSN looking to target Resource growth through exploration step out drilling from the open pit and underground workings

Great Southern Mining Limited (the "Company") is pleased to announce it has entered an agreement to acquire, subject to the completion of due diligence, three granted mining leases (M38/170, M38/578 and M38/740) hosting the historic Cox's Find Gold Mine (the Project) approximately 65km's north of Laverton, Western Australia (Figure 1).

BACKGROUND TO THE PROJECT:

The Cox's Find gold deposit is a shear hosted Archaean orogenic gold deposit located in the Duketon Greenstone Belt, located along strike from, and near, Regis's multi-million-ounce Garden Well discovery first drilled in 2008.

Historical records reviewed to date indicate the mine was Western Mining Corporation's (WMC) first venture into gold production in Australia and produced approximately 77,000 ounces of gold in a short period of time between 1935 and 1942 with an average grade of 21.94 g/t.¹

The mine has had multiple owners since and has been dormant for over 30 years under private ownership. The project site contains the historical open cut and underground infrastructure, waste dump, tailings pads and stockpiles of ore.

Though the acquisition, GSN will be the first company to apply modern exploration and development techniques to advance a high-grade gold project with significant potential. Having reviewed the exploration potential of the project, GSN believe the Project will provide a significant opportunity to add Resource growth to a very high-grade gold deposit that is currently poorly understood and ultimately underexplored.

GSN's Executive Chairman, John Terpu, commented:

"The Management Team have been busy researching unloved quality gold assets that could quickly return to production scenarios. The focus has been on the Laverton region to compliment the Company's exploration activities at the Mon Ami Gold Project. Having been on care and maintenance for over 30 years under private ownership, the Cox's Find Gold Mine is an old high-grade mining project that has missed out on major advances in exploration techniques and a resurgence in the gold price.

We are very excited to have the opportunity to undertake due diligence on what was one of Western Mining Corporation's very first gold mines".

ASX ANNOUNCEMENT 5 June 2019

BOARD OF DIRECTORS

Executive Chairman
John Terpu

Non-Executive Director
Kathleen Bozanic

Non-Executive Director
Andrew Caruso

COMPANY SECRETARY

Mark Petricevic

ASX: GSN

CONTACT DETAILS

*Registered Office and Postal
Address*

Suite 4, 213 Balcatta Rd
BALCATTWA WA 6021

Phone: 61 8 9240 4111

Fax: 61 8 9240 4054

Website

www.gsml.com.au

KEY TERMS OF THE AGREEMENT	
Parties	Great Southern Mining Limited and Mr Raymon Kowal.
Assets	M38/170, M38/578 and M38/740.
Consideration	\$50,000 in cash to be paid following a four (4) week due diligence period. A second payment of \$150,000 to be made following an additional (8) week period and completion of successful due diligence.
Deferred Payment 1	\$800,000 cash payment to be made within twelve (12) months of entering formal sale and purchase agreement.
Deferred Payment 2	\$1,000,000 payable in cash or shares (to be determined) subject to the declaration of a JORC 2012 Mineral Resource of at least 500,000 ounces of gold. The Company will seek to agree a cut-off grade following successful completion of due diligence in the Formal Agreement.
Royalty	1.5% Net Smelter Return (NSR).
Conditions precedent	Completion of successful due diligence by GSN within 8 weeks and obtaining all necessary approvals. GSN can withdraw from the agreement prior to this date.
Formal Agreement	The parties have agreed to enter into a formal sale and purchase agreement on successful completion of due diligence, on terms consistent with the term sheet.

Funding:

Deferred Payment 1, to be made within 12 months of entering the formal sale and purchase agreement, will be funded via the Company's cash reserves and/or an issue of securities utilising the Company's existing placement capacity under LR7.1 and 7.1A, at an issue price of no less than the previous 5-day Volume Weighted Average market price (VWAP) at the time of the issue.

Should the terms required for Deferred Payment 2 be met, as set out above, and shares in the Company be issued, the Company will seek Shareholder approval prior to the issue.

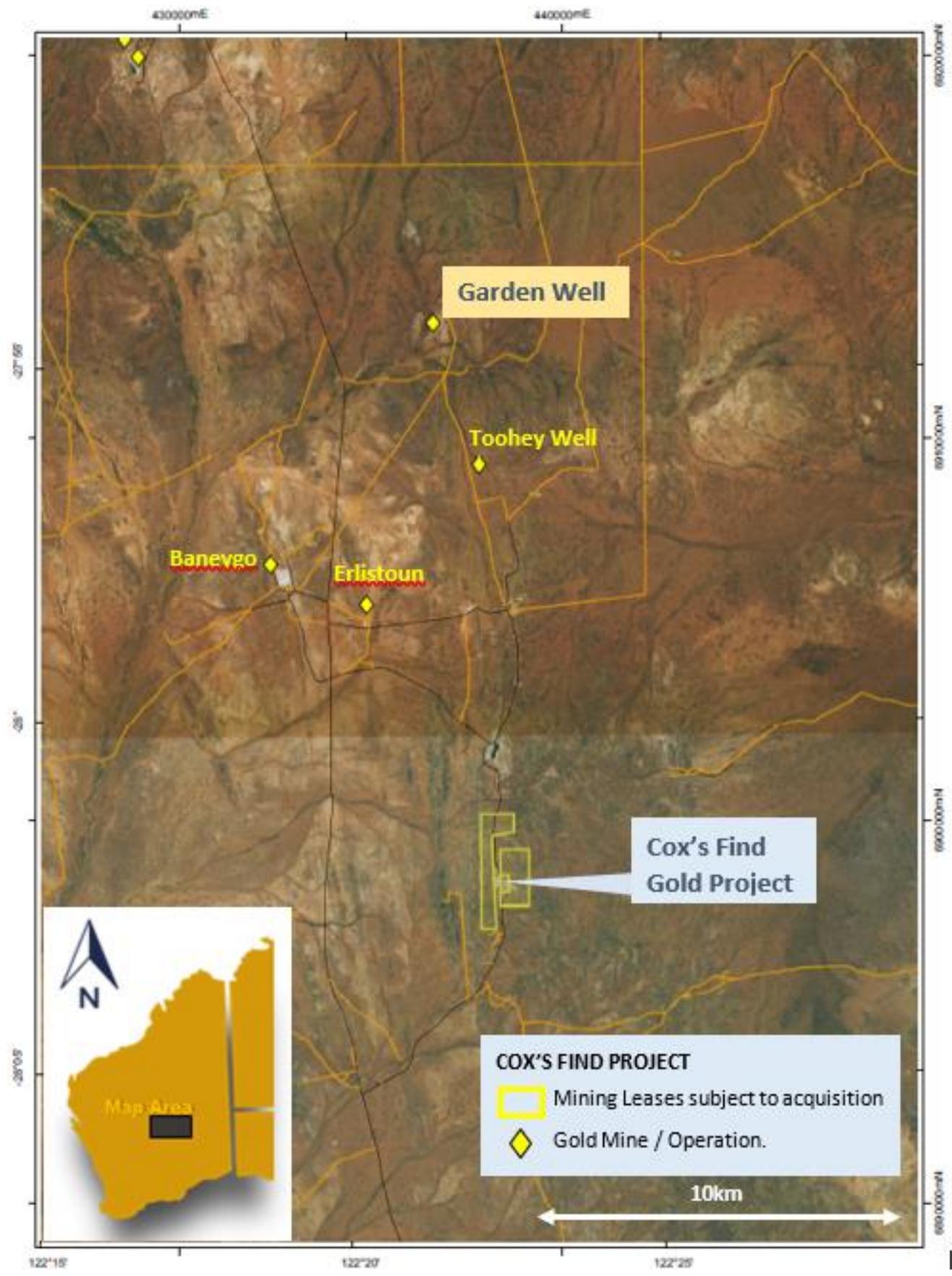


Figure 1: Location of the Cox's Find Project

Source: Geological Survey of Western Australia 2019, extracted from GeoVIEW.WA. Department of Mines, Industry Regulation and Safety. Deposit names added by GSN.

Competent Person's Statement

The information in this report that relates to exploration targets and exploration results on M38/578, M38/170 and M38/740 is based on, and fairly represents, information and supporting documentation compiled by Dr Bryce Healy. Dr Healy is an employee of Noventum Group Pty Ltd (ACN 624 875 323) and has been engaged by Great Southern Mining Limited as Head of Exploration. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. Dr Healy is a Member of the Australian Institute of Geoscientists and as such, is a Competent Person for the Reporting of Exploration Results, Mineral Resources and Ore Reserves under the JORC Code (2012). Dr Healy consents to the inclusion in the report of the matters based on his information in the form and context in which they occur.

Forward Looking Statements

Forward- looking statements are only predictions and are not guaranteed. They are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of the Company. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward- looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, the Company, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will occur as contemplate.