

New Geochemistry Confirms Strong Gold Anomalies - Four Mile Well

HIGHLIGHTS

- **Phase 1 Geochemical Program Completed**
 - 1.6km anomalous gold trend delineated including 26ppb gold
 - Maximum value 56ppb gold
 - New anomalies are untested with no previous drilling
 - Phase 2 Geochemistry commencing on closer spacing

Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to announce the completion of Phase 1 of its infill geochemical program at the company's Four Mile Well project, located 9 kilometers north of Laverton in Western Australia. Initial results are very encouraging and consistent with previous explorers' results. The latest results have revealed a coherent approximate 1.6-kilometre trend showing anomalous gold assay results which remains untested with no previous drilling (Figure 1).

Four Mile Well – 100% GSM

The company's inaugural exploration program at the Four Mile Well project consisted of a geochemical survey that collected 263 samples over 2 target areas (Figure 2). The northern target area (Figure 1) consisted of 6 sample lines (157 samples on an 800 x 50 metre sample pattern). The grid pattern was designed to tie in with previous explorers' first pass sample grid utilizing the same sampling and assaying technique for consistency. The target geology consisted of interpreted mafic/ultramafic contacts and chert units with a coincident aero magnetic high anomaly.

The geochemical sampling technique employed used the mobile metal ion (MMI) technique which is designed to detect low level anomalism in situations where conventional geochemical techniques may be ineffective due to concealed bedrock under transported cover.

The sample data produced a low level +1ppb gold contour which approximately coincides with the mapped basalts in the area. The best results were two separate soil assays on lines 2 and 3, which produced anomalous **assay results of 18.4ppb & 25.6ppb gold** respectively and appear to coincide along trend with an anomalous soil result of 8.5ppb gold from the previous explorers' surveys. The spatial coherence of the anomalous values provides high confidence in a bedrock signal with the results appearing to define an approximate 1.6-kilometre north-northwest trending anomaly with no previous drill testing.

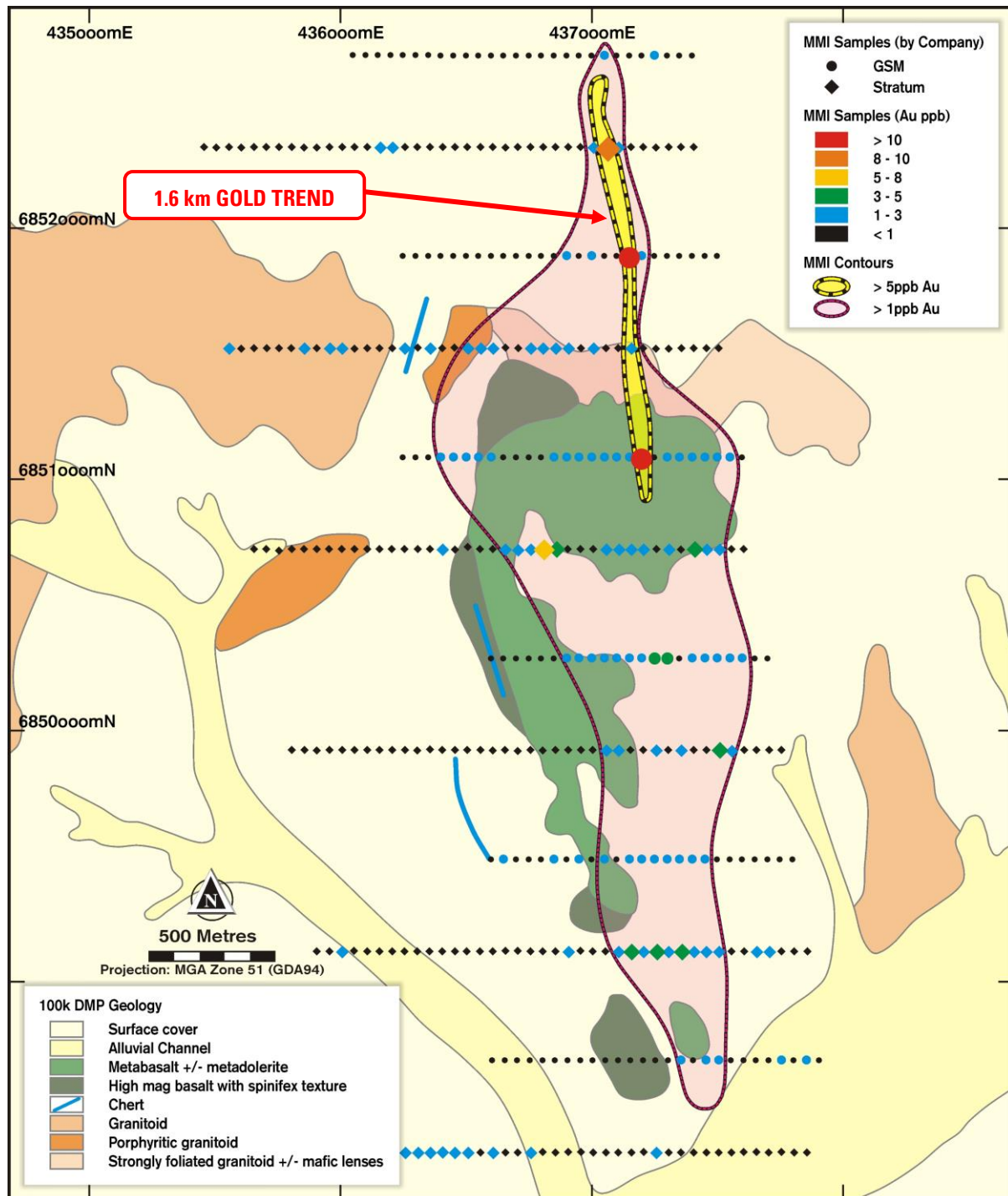


Figure 1: Location plan showing anomalous gold trend over GSWA 100k Surface Geology

The southern area consisted of 3 north-south spaced sample lines on 50 metre centres that were also designed to follow up previous explorers first pass geochemical surveys that used a more conventional soil sampling technique. The best results appear to be related to a mapped tonalite with outcropping quartz veins and a strongly foliated granitoid unit containing mafic lenses. Several assay results on line 7 returned values greater than 5ppb gold with a **highest assay result of 51.8pppb**. These results are also consistent with previous explorers' results and reveal a coherent north-east trend.

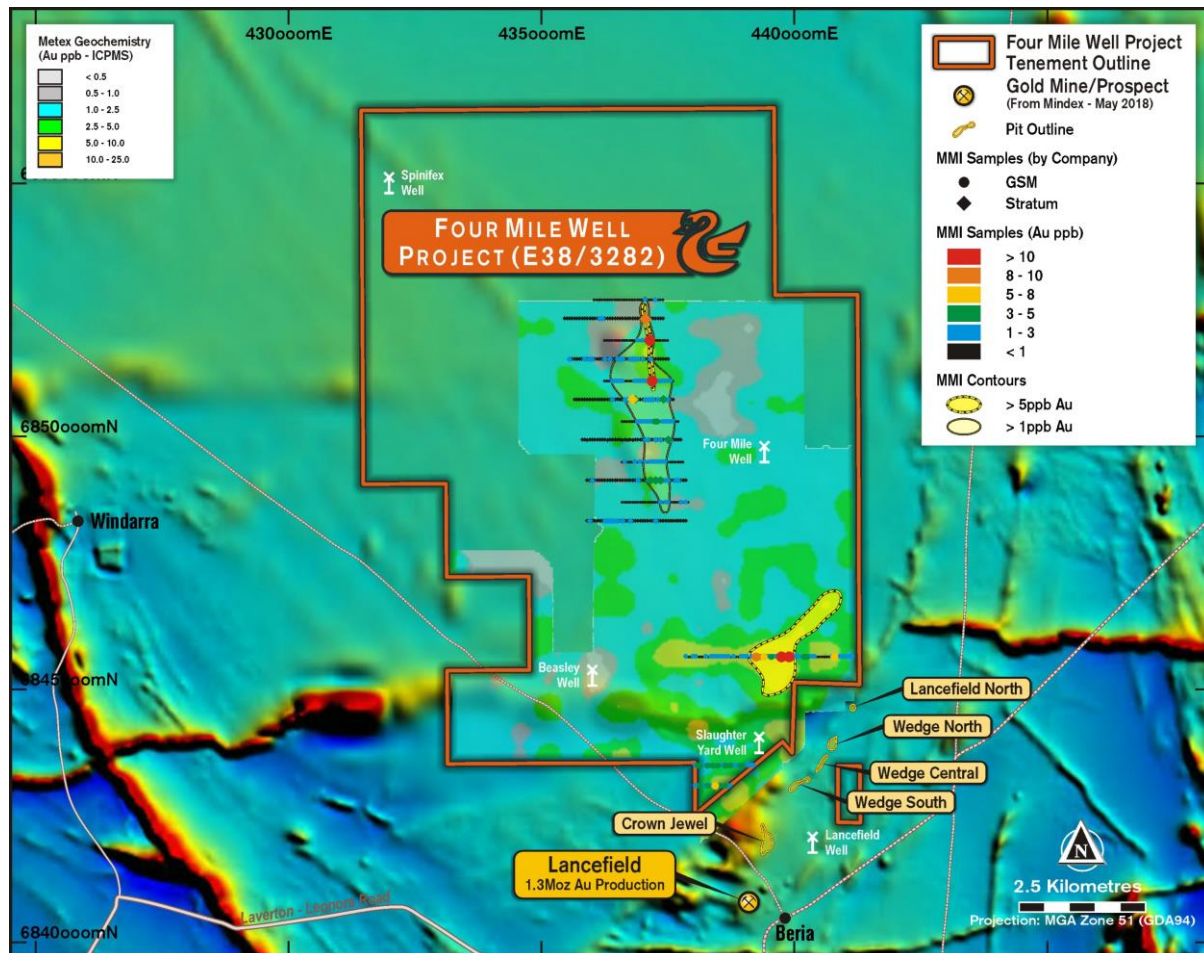


Figure 2: Project Location Plan Showing Geochemistry Over Open File Total Magnetic Intensity

Golden State's Managing Director, Michael Moore commented:

"The interpreted anomalous gold trends provide a very promising start to our exploration activities at the Four Mile Well Project. We are looking forward to Phase 2 infill results to confirm our interpretation and potentially provide drill targets for Q4 2019".

Further Exploration

The company will now commence the next stage of infill sampling bringing the north-south sample spacing down to 200 metres. The company will also commence detailed ground mapping in late July over the gold anomalous areas.

For further information please contact:

- Mike Moore (Managing Director) on 08 6323 2384 / 0438 938 934
- Greg Hancock (Non-Executive Director) 08 6323 2384 / 0418 263 388

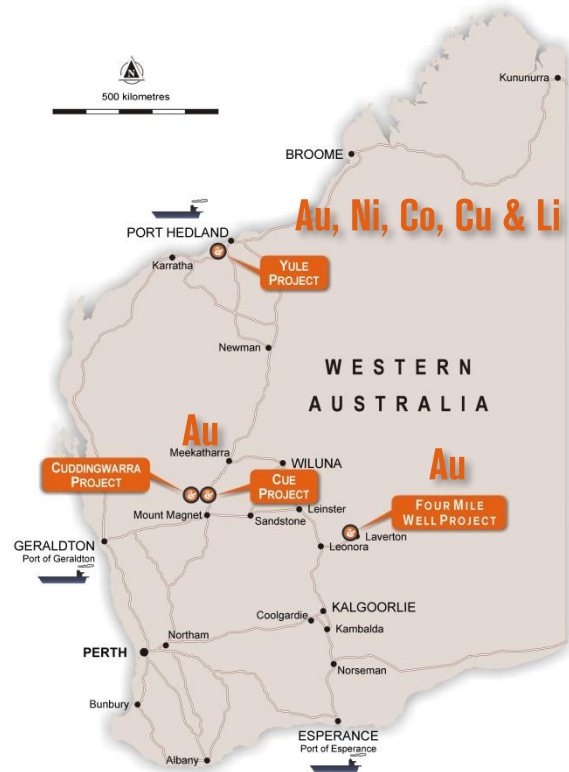
About Golden State Mining

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.

CUDDINGWARRA & CUE GOLD PROJECTS

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 Cuddingwarra and 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

- 17 priority gold, base metal and rare earth element target areas identified
- Located between 35 km and 65 km southwest of Port Hedland in the northern Pilbara region of Western Australia
- Three granted exploration licences for a total of 434 km² capture a significant portion of the Pilbara
- Archaean layered mafic-ultramafic intrusion Ni, Cu, Co, PGE, V & Ti targets at Yule North
- Balla Yule magnetic target trend near Sholl Shear Zone largely untested
- Targets identified from airborne geophysics at Yule South

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
- Geochemical programs by several previous explorers have produced gold anomalism that was never followed up or drill tested

BOARD OF DIRECTORS

Damien Kelly
Non-Executive Chairman

Michael Moore
Managing Director

Brenton Siggs
Non-Executive Director

Greg Hancock
Non-Executive Director

Janet Wicks
Non-Executive Director

ISSUED CAPITAL

| | |
|---------|--------|
| Shares | 36.3 m |
| Options | 16.0 m |

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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 Australian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager, 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 Four Mile Well Project is summarised in the Independent Geologist's Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

JORC CODE, 2012 Edition-Table 1 : SECTION 1: SAMPLING TECHNIQUES AND DATA

| Criteria | JORC Code Explanation | Commentary |
|---|--|---|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Geochemistry sampling Soil sample grid patterns included: 800m x 50m (GSM infill) 500m x 500m (WAMEX Report A67631) 800m x 50m (WAMEX Report A98147) |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). | <ul style="list-style-type: none"> No drill data located. |
| Drill sample recovery | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> No drill data located. |
| Logging | <ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> No drill data located |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Geochemistry Sampling GSM Soil samples: MMI samples sieved to -5mm. WAMEX A67631: Soil samples: Soil samples sieved to -80# size fraction. WAMEX A98147: Soil samples: MMI samples sieved to -5mm. The sample preparation of the soil samples followed industry standard practice at the time. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | <ul style="list-style-type: none"> GSM assays SGS- Assay technique includes MMI for Job No WM193693 Aqua Regia Partial Digest |

| Criteria | JORC Code Explanation | Commentary |
|--|--|---|
| | <ul style="list-style-type: none"> 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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | <p>followed by ICPMS. Laboratory Code: MMI ICPMS Geochemistry multielement analysis including: Al,As,Ba,Cd,Cs,Dy,Er,Eu,Ga,Gd,Hg,La,Li,Mg,Mo,Pd,Rb,Sc,Sr,Tb,Th,W,Y,Zr,Au,Ag,Ca,Cu,Fe,K,P,Mn and Ni.</p> <ul style="list-style-type: none"> Previous explorers' assaying: WAMEX Report A67631: Ultratrace - Assay technique includes Aqua Regia Partial Digest followed by ICPMS. Laboratory Codes: DHCL-ICPMS AR-ICPMS Geochemistry multielement analysis including: Au,Ag,As,Cr,Cu,Ni,Pb,Sb and Zn <p>WAMEX Report A98147: SGS- Assay technique includes MMI for Job No WM149602 Aqua Regia Partial Digest followed by ICPMS. Laboratory Code: MMI ICPMS Geochemistry multielement analysis including: Al,As,Ba,Cd,Cs,Dy,Er,Eu,Ga,Gd,Hg,La,Li,Mg,Mo,Pd,Rb,Sc,Sr,Tb,Th,W,Y,Zr,Au,Ag,Ca,Cu,Fe,K,P,Mn and Ni.</p> <ul style="list-style-type: none"> No geophysical tools, spectrometers or hand held XRF instruments used. QAQC procedures not located in previous explorers reports. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> No drill data located. |
| Location of data points | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Survey method for auger/soil sampling pickup recorded as GPS unit (WAMEX A67631, A98147). Previous Explorers used GDA94 Z51 and AMG84 Z51 grid depending on year of activities. AMG84 Z51 sample locations converted to GDA94Z51 by transformation. |
| Data spacing and distribution | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Soil Geochemistry: Regional soil surveys on 500m x 500m grid (WAMEX A67631) and 800m x 50m (WAMEX A98147) on reconnaissance east west orientated lines. No composite sampling of soil samples. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The geochemistry sampling is reconnaissance in nature, being relatively wide spaced and the orientation of potential mineralised structures is yet to be confirmed. There is insufficient information to determine if the reconnaissance geochemistry sampling were orientated perpendicular to potential mineralised structures. |

| Criteria | JORC Code Explanation | Commentary |
|--------------------------|---|---|
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> GSM samples Samples were bagged up onsite, labelled and stored in sealed polyweave bags. Samples were 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. Previous explorer's security not documented in WAMEX reports |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> Not documented in WAMEX reports. |

Section 2: REPORTING OF EXPLORATION RESULTS:

| Criteria | JORC Code Explanation | Commentary |
|--|--|--|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Four Mile Well Project is located approximately 9km north of Laverton, Western Australia and consists of a single exploration licence (E 38/3282) covering approximately 107.14 square kilometres. Tenement E38/3282 was granted on 2/07/2018. The tenement holder is Crown Mining Pty Ltd., a wholly owned subsidiary of Golden State Resources Pty Ltd. The tenement is granted and in good standing. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> For details of relevant previous exploration completed by other parties at the Four Mile Well Project, refer to the Independent Geologists Report ('IGR') included in the Golden State Mining Ltd prospectus (2018). Previous work on, or adjacent to, the Four Mile Well project was completed by Kennecott Exploration Australia Pty Ltd, Uranium and Nickel Exploration NL, Metex Resources Ltd, Triton Gold, Poseidon Gold, Stratum Metals Ltd and Ishine International Resources Ltd. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> For details of the geological setting of the Four Mile Well Project refer to the Independent Geologist's Report included in the prospectus. |
| Drill hole Information | <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar | <ul style="list-style-type: none"> No drill data located. |

| Criteria | JORC Code Explanation | Commentary |
|---|---|--|
| | <ul style="list-style-type: none"> 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. | |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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. | <ul style="list-style-type: none"> Soil sample values extracted from previous explorers' WAMEX report assay files with no weighting averaging, maximum and/or minimum grade truncations or cut off grades applied. No historic drill intercepts reported. No historic drill intercepts reported so no assumptions used for any metal equivalent values. |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> 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 (eg 'down hole length, true width not known'). | <ul style="list-style-type: none"> No drill data located. |
| Diagrams | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Appropriate summary diagrams are included in the announcement |
| Balanced reporting | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Soil assay values range from: GSM : 1-56ppb Au (WAMEX A67631 : 1-26 ppb Au) (WAMEX A98147: 0.3-8.5 ppb Au) |
| Other substantive exploration data | <ul style="list-style-type: none"> 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 method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> Other exploration data considered relevant for the Four Mile Well Project has been included in the Golden State Mining prospectus (2018). |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (eg 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. | <ul style="list-style-type: none"> A proposed infill program reducing line spacing to 200m is outlined in the body of this ASX announcement. |