

Yule North EM Survey Underway

HIGHLIGHTS

- Balla Yule Prospect - survey testing nickel-cobalt and copper sulphides
- Quarry Well Prospect – survey targeting existing EM anomalies

Golden State Mining Limited (ASX code "GSM", "Golden State" or the "Company") is pleased to announce the commencement of moving loop electromagnetic (MLEM) surveys at the Yule North Project. Two of the higher priority target areas, identified from a recent geophysical review (see ASX announcement dated 26 June 2019) will be tested for the presence of bedrock conductors that may be the response of massive sulphide accumulations.

Golden State's Managing Director, Michael Moore commented:

"We're pleased to be getting an opportunity to progress these two prospective areas with an established but higher-powered geophysical technique and we are looking forward to generating drill targets to test later this year".

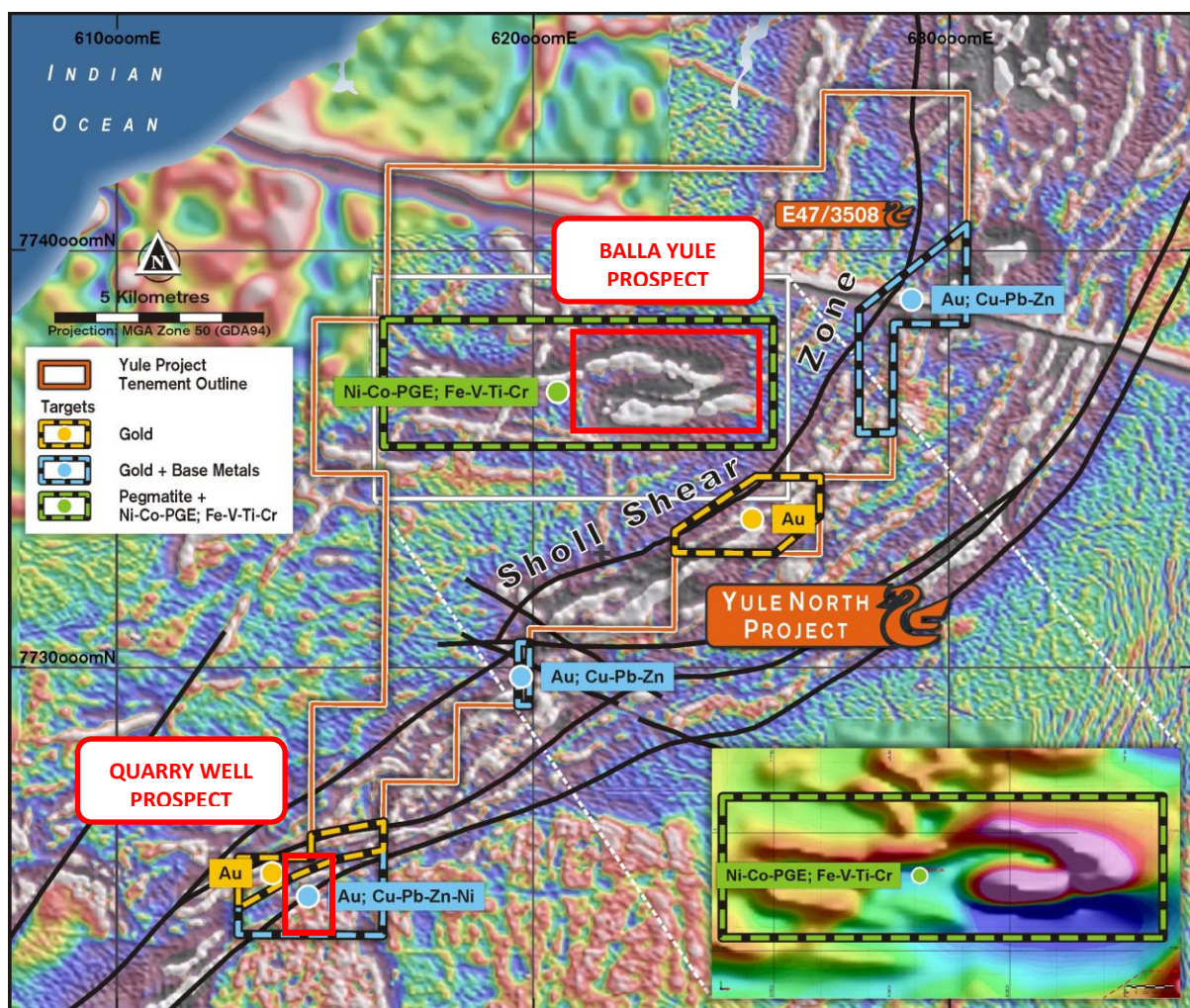


Figure 1: Yule North MLEM Survey Areas (in red) over RTP 1VD Magnetic Image

Yule 100% GSM

Balla Yule Prospect

The Balla Yule prospect is considered the highest priority area where previous drilling and recent petrology work (see ASX announcement dated 21 May 2019) has identified nickel, nickel-cobalt and copper sulphides very close to the bedrock surface. High-powered MLEM surveying is planned across the full strike length of the interpreted layered mafic intrusive (2.7 x 2.4km) to delineate any bedrock conductors that may be the response of massive sulphide accumulations.

Quarry Well Prospect

The Quarry Well prospect is considered to be a structurally hosted gold and base metal target within and proximal to the Sholl Shear zone. Several late-time conductive anomalies were previously identified in this area by historical MLEM surveys undertaken by a previous explorer. These untested anomalies are coincident key structural targets within the Sholl Shear Zone. A focussed 0.8 x 1.3km MLEM survey grid has been designed to validate the existing anomalies and to test for further bedrock conductors.

Further Exploration Activities

Aircore drill planning of three high priority gold and rare metal pegmatite targets at the Yule South Project is progressing and awaiting statutory government approvals. This program is expected to commence in early Q4 2019.

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.

MURCHISON

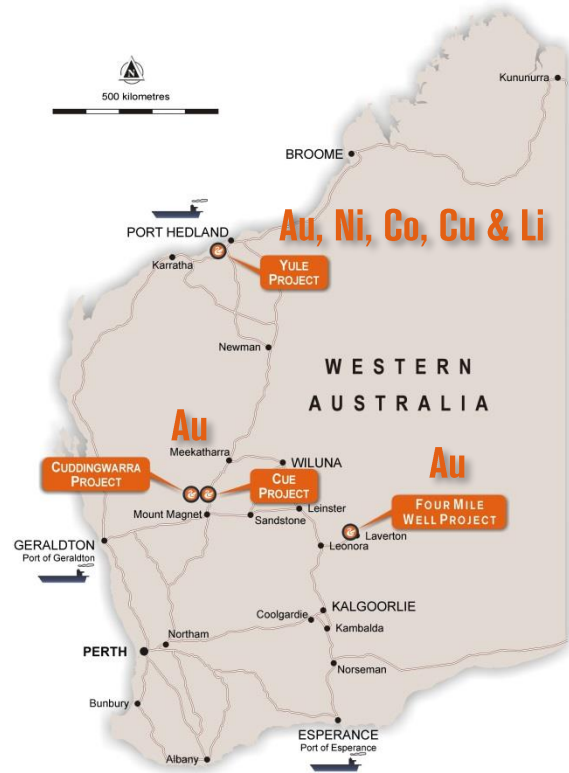
- Approximately 645km by road northeast of Perth
- 175km² of tenements including Cuddingwarra, Big Bell South & Cue
- Targeting large gold systems
- Proven Gold Region - produced over 7Moz of gold the past 126 years
- Day Dawn/Great Fingall mine (1.7Moz production) ~5km along trend
- Historic mines operated until around the 1920's exploiting high grade +15g/t gold shoots

YULE

- 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
- Tantalum-lithium and gold targets identified from airborne geophysics at Yule South

FOUR MILE WELL

- 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



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 are summarised in the Independent Geologist's Report of the Golden State Mining Limited Prospectus dated 22 August 2018.