

## GOLD MOUNTAIN LIMITED

ABN 79 115 845 942

## MARCH 2015 QUARTERLY REPORT

### KEY POINTS

- Release of Stage 1 mapping and sampling results on Viva No.20 Limited's Exploration Licences in Enga Province, PNG, including the identification of a potential Porphyry copper gold system at the Sak Creek prospect within EL1966 (Refer ASX 2 March 2015), and highly anomalous gold & platinum values recovered from the Crown Ridge Prospect within EL1968 (Refer ASX 9 March 2015).
- Completion of an extensive Stage 2 sampling & mapping program within EL 1968, with results due shortly.
- Eladium Mine Plant Peru commences successful trial treatment of purchased gold ore.

### PROJECTS

#### Wabag, PNG (EL1966, EL1967, EL1968) – (earning 70%)

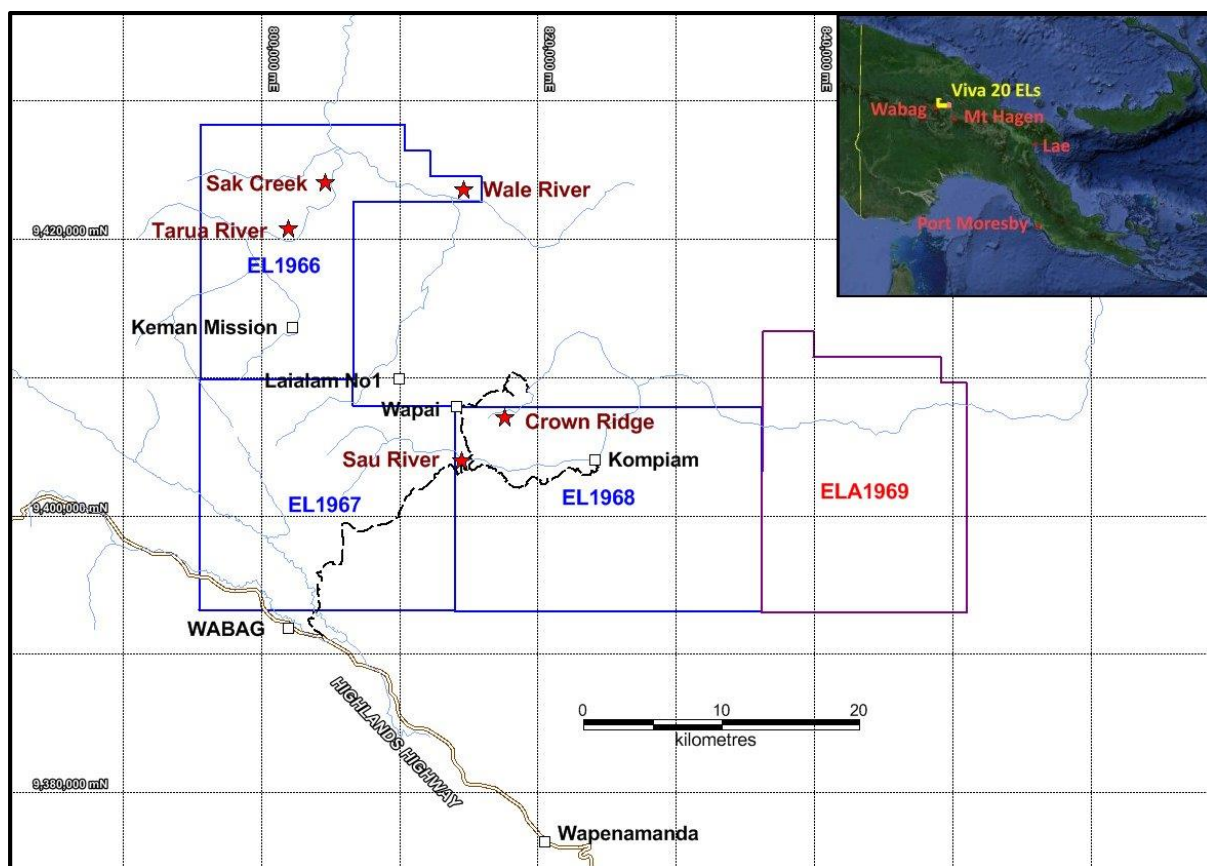


Figure 1: Location of Wabag Project ELs and prospects, PNG

## Sak Creek Prospect Results (EL1966) –Potential Porphyry Copper Gold System identified

As previously announced (Refer ASX 2 March 2015), initial Stage 1 sampling results from within the Sak Creek project area have identified a geochemical zonation (Figure 2) considered to be associated with a potential porphyry copper-gold system. This is a highly encouraging result considering local artisanal miners are recovering alluvial gold from within the vicinity of the porphyry target, including large gold nuggets up to 60 grams in weight. Further exploration is proposed to better define the mineralised system at Sak Creek, leading to possible drilling targets.

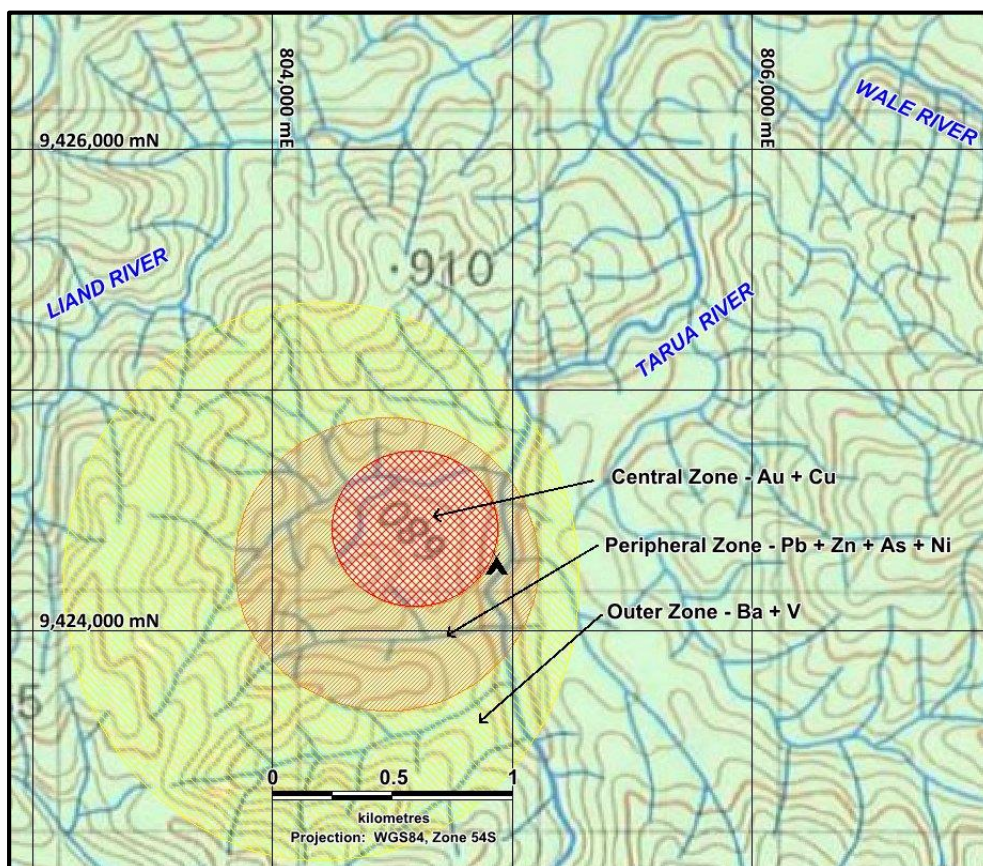


Figure 2: Sak Creek schematic soil geochemical zonation



## Crown Ridge Prospect Results EL1968 – Large Diatreme structure

As previously released, (Refer ASX 9 March 2015) strongly anomalous gold & platinum values were received from stream sediment & panned concentrate samples collected from the Crown Ridge prospect. The strongest anomalies came from streams draining the prominent ridge on the southern side of the Timun River drainage. This area, termed the Crown Ridge, is postulated to be the crater rim of a Diatreme intrusive structure & the hard-rock source of the alluvial gold mineralisation. The highly encouraging results received during the quarter continue to support the conceptual Diatreme structural Model.

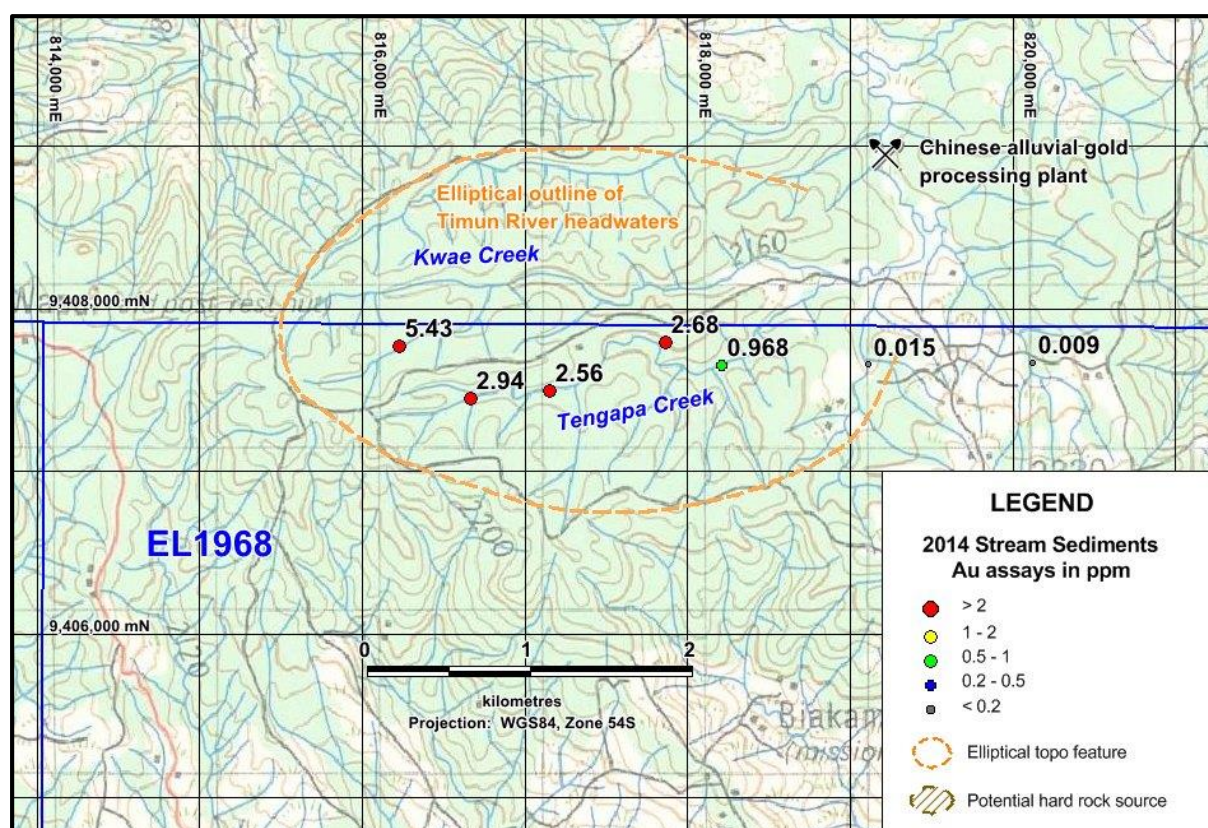


Figure 3: Crown Ridge stream sediment results – Au (ppm<sup>1</sup>)

<sup>1</sup> ppm = parts per million, equivalent to grams per tonne (g/t)



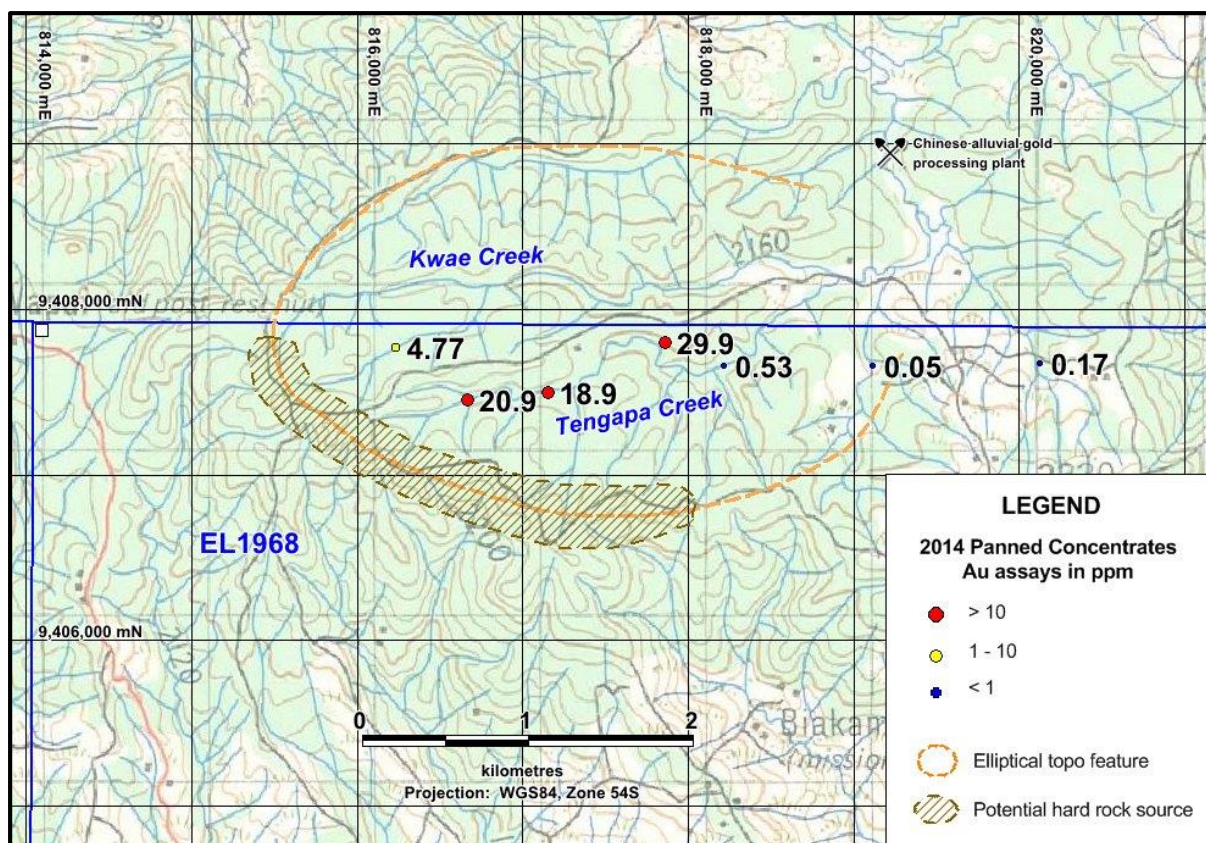


Figure 3: Crown Ridge panned concentrate results – Au (ppm<sup>2</sup>)

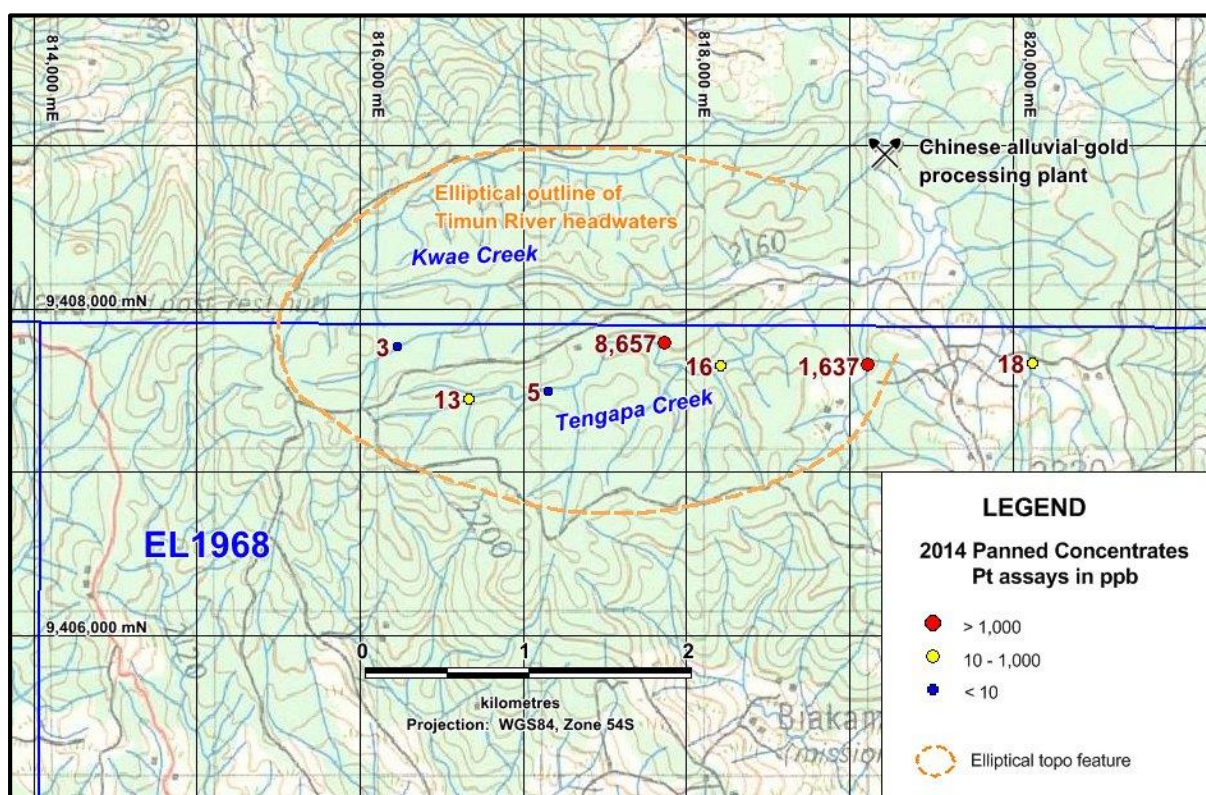


Figure 4: Crown Ridge panned concentrate results – Pt (ppb<sup>3</sup>)

<sup>2</sup> ppm = parts per million, equivalent to grams per tonne (g/t)

<sup>3</sup> ppb = parts per billion, equivalent to 0.001 ppm

**Crown Ridge (EL1968) Intensive Follow-up Sampling Program**

Based on the highly encouraging Stage 1 sampling results at Crown Ridge (EL1968), for both anomalous Gold & Platinum values from the first-pass stream sediment sampling program and the widespread distribution of alluvial gold currently being mined by local artisanal miners, an intensive follow-up sampling program was completed during March 2015. The program consisted of stream sediment & ridge and spur soil sampling, at 50m spacing. It is envisaged the results will be released shortly upon receipt of final assay results.

**Goldsmith Resources SAC, Peru – (18.75% interest)**

Goldsmith progressed the development of the Eladium underground mine, and Gold processing plant, with a successful trial processing or purchased mineral.

**Cowarra, NSW (EL5939) – (50% interest)**

A significant amount of HQ core was donated to the NSW DTI Core Library during March. The remaining 50% interest currently held by Capital Mining Ltd is being transferred to GMN. No further work was completed on the tenement during the March 2015 quarter.

**Dalton, NSW (EL6922) – (100%)**

No further work was completed on the tenement during the March 2015 quarter.

**Oberon, NSW (EL7702)**

The tenement expired on 8 February 2015, and was not renewed by Central West Gold.

**Grenfell, NSW (EL8263) – (100%)**

No further work was completed on the tenement during the March 2015 quarter.

*Statements contained in this report relating to exploration results and potential is based on information compiled by Murray Hutton, who is a Member of the Australian Institute of Geoscientists. He is a consultant geologist employed by Geos Mining and has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC Code). Murray Hutton consents to the use of this information in this report in the form and context in which it appears.*