

**ASX Release**

29 August 2016

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Grant of Employee Share Options

Gold Mountain Limited (“**GMN**” or “**Company**”) announces that the Board of Directors has today resolved to issue a total of 18,900,000 share options (“**Granted Options**”) to employees and consultants and directors of the Company pursuant to the Company’s Employee Share Option Plan. The issue of share options to the Company’s directors will require the prior approval of shareholders. The Company’s Employee Share Option Plan was approved by Company Shareholders at the Annual General Meeting of the Company held on 15 December 2014.

The Granted Options have an exercise price of \$0.30 and are subject to the following vesting conditions:

1. The Company’s underlying share price must exceed \$0.50 based on *volume weighted average price* (VWAP) over a 5 day consecutive period;
2. The holder must be an actual consultant to or employee of the Company at the time of exercise of the relevant Granted Options;

In addition, the exercise of the Granted Options will be subject to the following conditions:

3. The Exercise period shall not commence until a date that is at least 12 months after the date of the grant of the Granted Options to the holder; and
4. A Granted Option expires 36 months after the date on which the relevant Granted Options were granted.

Subject to the approval of the Company’s shareholders at the Company’s next general meeting, the Company will issue 10,100,000 Granted Options to the 3 directors

	Number of Options
Graham Kavanagh	1,500,000
Matt Morgan	3,600,000
Sin Pyng (“Tony”) Teng	5,000,000

Total Directors’ Granted Options	10,100,000
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A total of 8,800,000 Granted Options will be issued to 6 other employees/consultants of the Company. These grants, which are being made pursuant to the Company’s Employee Share Option Plan, do not require shareholder approval.

For further information, contact

Eric Kam
Company Secretary