



Interim Financial Report

31 December 2020

Directors' Report

Your Directors submit the financial report of the Company for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the interim and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

Sin Pyng "Tony" Teng	Managing Director (appointed 9 July 2014)
Syed Hizam Alsagoff	Non-Executive Director (appointed 2 September 2019)
Pay Chuan (Paul) Lim	Non-Executive Director (appointed 14 October 2019)
Timothy Cameron	Executive Director (appointed 1 December 2020)

Company Secretary

Eric Kam (Appointed 9 July 2014)

Management

Timothy Cameron Chief Executive Officer (Appointed 25 October 2019)

Dividends

No dividends have been paid or declared since the start of the half-year and the Directors do not recommend the payment of a dividend in respect of the half-year.

Principal Activities

The principal activity of the Company during the half-year was the exploration for and development of gold projects.

Review of Operations

Gold Mountain Limited (GMN) has remained focussed on advancing its exploration activities on its highly prospective Wabag Project in PNG, which is situated immediately north of the town of Wabag, the provincial capital for the Enga Province. Gold Mountain is focussed on exploring for large tonnage Copper-Gold-Molybdenum (Cu-Au-Mo) Porphyry deposits within its tenements.

During the reporting period the company undertook regional soil and rock chip campaigns at Sak Creek (EL1966), Lombokai Creek (EL2306 and EL 2563) and at the newly granted Mt Wipi tenement (EL2632). In addition to this GMN also drilled one diamond drill hole (MCD008) for 684.20m at the Monoyal prospect (EL2306).

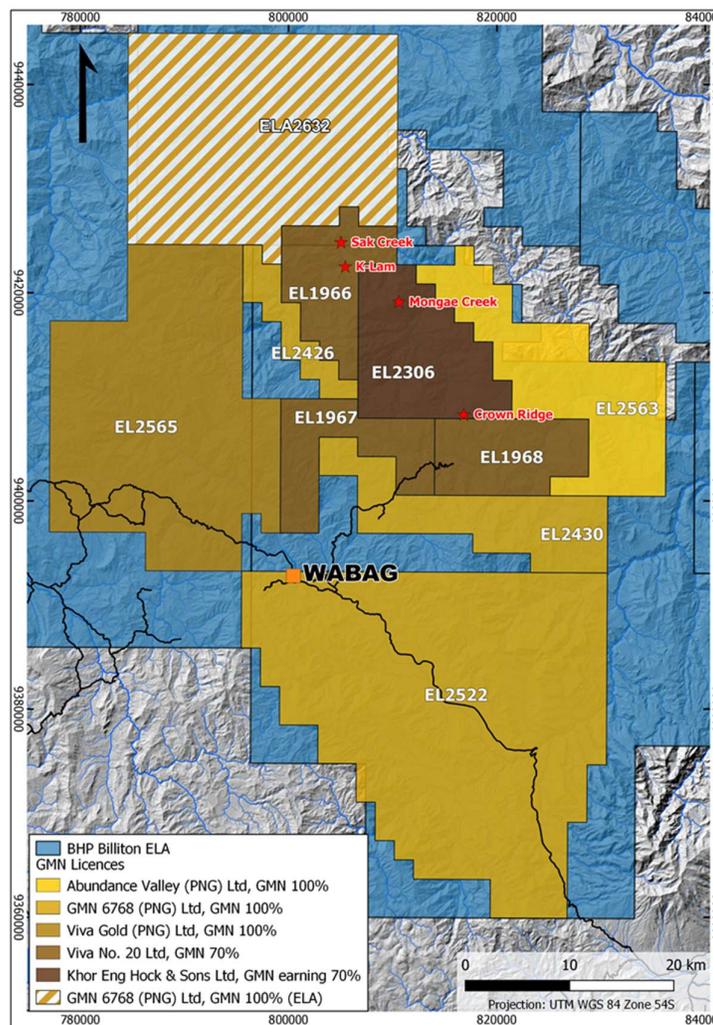
The focus of GMN's exploration efforts have been twofold, with the continued emphasis on identifying a porphyry copper-molybdenum deposit at the Monoyal prospect and to undertake more regional exploration work along the structural corridor between Monoyal and Sak Creek and on the newly granted Mt Wipi tenement (EL2636) to generate high priority drill targets.



A summary of the current tenement position for GMN is included in Table 1.

Tenure	Area (Km ²)	Interest	Expiry Date ²	Commitment (Kina) ³
EL1966 Sak Creek	103 ¹	70%	26/06/2021	300,000
EL1967 Pocket Creek	103 ¹	70%	27/11/2021	80,000
EL1968 Crown Ridge	103 ¹	70%	27/11/2021	300,000
EL2306 Alakula	164 ¹	70%	13/12/2021	600,000
EL2426 Keman	48 ¹	100%	27/05/2020	100,000
EL2430 Meriamanda	154 ¹	100%	27/05/2020	100,000
EL2522 Wapenamada	-	Expired	24/02/2021	-
EL2563 Kompiam	225	100%	22/01/2022	150,000
EL2565 Londol	535	100%	26/05/2021	150,000
EL2632 Mt Wipi	505	100%	13/08/2022	100,000

¹ Renewed Areas
² Renewals pending for EL2426 and EL2430. Warden's hearings postponed due to COVID-19 pandemic.
³ Expenditure commitment for the current licence year in PNG Kina. As at 25 Feb 2021, 1 Kina = A\$0.36



GMN reviewed all the geochemical data from holes MCD001 to MCD007 and undertook detailed petrological analysis of the core from these holes prior to designing a second phase of drilling at Monoyal. As a result of this work, GMN drilled hole MCD008 to a depth of 684.20m which was completed in December 2020. A second hole MCD009 was planned for the Mongae prospect, with drilling commencing in January 2021.

Results from the soil sampling programme in conjunction with the rock chip sampling in the Sak Creek structural corridor and at Lombokai Creek have identified several targets for follow up exploration. Distinctive copper skarn mineralisation has been identified at both Lomboki Creek, Sak Creek and more recently at Mt Wipi.

Channel sampling and stream sediment programs at Mt Wipi have identified a highly prospective area centred on Waa Creek within EL 2632 and a 500 plus – 80# soil sampling programme has been initiated to cover this new prospect.

Airborne magnetic data from a survey completed over the area held by GMN by the Fugro in 2015, as part of a regional government sponsored programme, was reviewed and re-processed. The review of this data generated multiple targets for follow up work with EL's 1966, 2306, 2565 and 2632 which will be undertaken in 2021.

During the reporting period, no wardens hearings were held, however, EL2632 was granted in August 2020, and EL's 1966, 1967, 1968 and 2306 were renewed for a further two years. Wardens hearing for tenement which are due for renewal, namely EL's 2426 and 2430 were not held due to restrictions on travel due to the impact of CoVid19 on senior staff's ability to travel to PNG to conduct these hearings.

Operating results for the half-year

The loss of the Company for the half-year, after providing for income tax amounted to \$191,739 (2019 HY: Loss \$880,893).

Review of financial conditions

The Company is creating value for shareholders through its exploration programme and associated expenditures.

The Company had \$1,725,188 in cash assets at 31 December 2020 (30 June 2020: \$1,835,586), an decrease of \$110,398 during the half-year. The net assets of Gold Mountain Limited increased from \$25,434,817 at 30 June 2020 to \$28,318,065 at 31 December 2020, an increase of \$2,883,248.

These increases are primarily the result of share placements undertaken during the half-year as announced on 3 July 2020, 8 October 2020, 17 November 2020, 30 December 2020 in accordance with Listing Rules 7.1 and 7.1.A. These placement facilities enable the Company to support the associated operational and management rights and obligations in respect of the Wabag Project in the Enga Province of Papua New Guinea and working capital requirements.

During the half-year, the operations relating to the Papua New Guinea gold project continued and expanded as the Company undertook its exploration program with deferred exploration expenditure increasing by \$1,486,396 from \$19,722,616 at 30 June 2020 to \$21,209,012 at 31 December 2020.

Revenue and financial income are generated from interest income from funds held on deposit and miscellaneous income. The Company also received \$33,785 as rental income during the half-year (HY 2019: \$26,659) from sub-leasing unused office space at its Sydney CBD office.



Significant Changes in the State of Affairs

On 2 July 2020, the Company advised that it has further raised \$768,550 via the continuing share placement program at \$0.065 per share to sophisticated investors. The share placement has accompanying entitlement of unlisted options for every two (2) shares issued, of one (1) share option exercisable at \$0.10 within 12 months (10c-Options) and another one (1) share option exercisable at \$0.15 within 24 months (15c-Options) respectively from date of issue. The Company's Chief Executive Officer Tim Cameron and the recently appointed Advisor Matt Liddy have both participated in the placement giving support the ongoing drill program at the Monoyal Prospect.

On 3 July 2020, the Company lodged the Proposed issue of securities along with Appendix 2A Application for quotation of +securities of 11,823,847 shares. The total issue raised \$768,550 for working capital purposes. In addition, 5,911,924 10c-Options and 23,411,924 15c-Options were issued as entitlement of unlisted options to the issued shares, including 17,500,000 15c-Options allocation to an Introducer and Promoter for past services rendered.

On 17 July 2020, the Company announced the assay results of the fifth diamond hole MCD007 drilled at the Monoyal Prospect. The results contain anomalous copper zones, gold and molybdenum mineralisation over 1m intervals with best intercepts recorded 32m @ 0.10% Cu 49ppm Mo 0.03 g/t Au from 170m, 13m @ 0.13% Cu 63ppm Mo 0.04 g/t Au from 176m, 3m @ 0.14% Cu 96ppm Mo 0.06 g/t Au from 285m and 3m @ 0.10% Cu 511ppm Mo 0.04 g/t Au.

On 28 July 2020, the Company provided an update in relation to its drilling program at Wabag and reported the assay results of MCD005 and MCD006. Both holes intersected broad zones of elevated copper and molybdenum mineralisation, with anomalous gold and silver values. MCD005 intersected a narrow fault breccia between 93m and 94m, which assayed 0.81% Cu 0.26% Mo 1,175ppm Ag and contained elevated Zn (955ppm Zn). Assay results to 0.66% Cu 68 ppm Mo 0.26 g/t Au and 5.5 g/t Ag were recorded over 1m intervals in MCD006.

On 27 August 2020, the Company announced that the Mineral Resources Authority (MRA) has granted GMN 6768 (PNG) Limited (100% owned subsidiary) the exploration licence EL2632 Mt. Wipi for a period of two years to 13 August 2022. The tenement was granted after successful Warden's hearing in October 2019.

On 15 September 2020, the Company announced that drilling at the Wabag Project is to resume in October 2020 following the easing of restrictions surrounding COVID-19. The focus in the drilling resumption will be testing Cu-Mo porphyry system at depth.

On 23 September 2020, the Company reported the assay results of float and rock samples collected at the southern end drainage areas of the newly granted EL2632 Mt Wipi tenement. The results from total of 28 samples are highly encouraging with copper values ranging from 100ppm Cu to 9.64% Cu, gold from 0.01 g/t to 1.96 g/t Au and silver 0.14 g/t to 144 g/t Ag. Airborne magnetic data has also identified several targets with exploration programme to follow-up.

On 8 October 2020, the Company issued securities of 39,000,000 options and 10,000,000 shares to Promoters in consideration for the provision of services in undertaking a number of placements during the period between July 2019 and until December 2020. The issue of these securities is consistent with resolutions 3 and 4 approved at the Extraordinary General Meeting (EGM) held on 2 October 2020.

On 23 October 2020, the Company released a clarifying statement in relation to the adoption of the Employee Share Options Plan (ESOP) at the EGM. For the purposes of exception rule 13 of ASX Listing Rule 7.2, the maximum number of securities proposed to be issued under the ESOP during the three (3) year period from the date of EGM in reliance on the exception is 80,000,000.

On 2 November 2020, the Company announced that drilling has resumed at the Monoyal Prospect after a period of limited activities under a COVID-19 environment.

On 16 November 2020, the Company concluded an agreement for capital raise of \$2 million in the issue of shares at \$0.055. Further shares are issued in satisfaction of a related \$140,00 placement fee. The shares proposed to be



issued are without security approval security holder approval using the Company's 15% placement capacity under Listing Rule 7.1. The proposed issue under agreement is subject to post volume weighted average price (VWAP) Adjustment for addition shares if the floor price falls below \$0.03 at anytime between 6 and 24 months after placement date.

On 1 December 2020, the Board announced that CEO Tim Cameron has agreed to take on the role as Executive Director of the Company. In addition, Tony Teng will transition his role into a new position as Executive Director.

On 30 December 2020, the Company advised it has further raised \$835,500 via the issue of 15,190,910 shares in the continuing share placement program at \$0.055 per share. In addition, 20,000,000 performance options under the ESOP were issued to the directors with vesting conditions, at exercise price of \$0.15 and expiry 60 months consistent with resolutions 6, 7 and 8 adopted at the EGM of 2 October 2020. A further 11,000,000 options of exercise price \$0.15, expiry 24 months were issued to Promoters consistent to resolution 3 adopted at the EGM.

Corporate Governance

A statement disclosing the extent to which the Company has followed the best practice recommendations set by the ASX Corporate Governance Council during the period is displayed on the Company's website.

Risk management

Details of the Company's Risk Management policies are contained within the Corporate Governance Statement in the Directors' Report as outlined in the 30 June 2020 Annual Report and at the Company's website <https://goldmountainltd.com.au/corporate-governance/>.

Events Subsequent to the End of the Half-Year

On 20 January 2021, the Company provided a market update on the progress of its exploration activities at the Wabag Project in PNG and disclosing results of initial exploration work carried out at Mt Wipi. High-grade rock chip rock chip samples (9.64% Cu, 1.96 g/t Au and 100 g/t Ag) and channel samples (including 5m @ 2.57 Cu, 0.53 g/t Au and 33.56 g/t Ag) in conjunction with anomalous stream sediment samples and mapping, have defined intrusives and skarns which highlight the strong exploration potential at Mt Wipi for the location of a large mineralised system.

On 1 March 2021, the Company released an Investor Presentation on the Wabag Project providing information on the Company's strategy of targeting multiple copper-gold and molybdenum porphyry opportunities in PNG.

On 5 March 2021, the Company reported in the progress of its exploration activities that MCD008 drilled to a depth of 684.3m has encountered wide intercept of 175m grading at 0.11% Cu and 65ppm from 279m, using a 700ppm Cu cut off grade (COG). Anomalous molybdenum values are also present at the end of hole which indicates that the Wale Batholith is mineralised and prospective.

No other matters or circumstances have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.



Other Activities and Company Strategy

The Company continues to focus on the exploration of its targets with the aim of finding and developing commercially viable gold projects.

Environmental legislation

The Company is subject to significant environmental and monitoring requirements in respect of its natural resource exploration activities. The Directors are not aware of any significant breaches of these requirements during the period.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related entity) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial period the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.



Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 9 and forms part of this Directors' report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "Sin Pyng", with a horizontal line underneath.

Sin Pyng "Tony" Teng

Director

15 March 2021



Level 1
251 Elizabeth Street
SYDNEY NSW 2000

75 Lyons Road
DRUMMOYNE NSW 2047

K.S. Black & Co.

ABN 48 117 620 556

20 Grose Street
NORTH PARRAMATTA NSW 2151

PO Box 2210
NORTH PARRAMATTA NSW 1750

Lead Auditors' Independence Declaration under Section 307C of the Corporations Act 2001

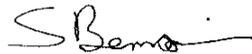
To the Director's of Gold Mountain Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020 there has been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of Gold Mountain Limited and the entities it controlled during the period.

KS Black & Co
Chartered Accountants



.....
Scott Bennison
Partner

Dated in Sydney on this ~~15~~ day of *March* 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2020

	Notes	31 Dec 2020 \$	31 Dec 2019 \$
Other income	2	77,795	36,240
Administration costs		(391,782)	(161,618)
Depreciation expense		(105,971)	(63,035)
Employee benefits expense		(19,710)	(28,570)
Exploration expense	3	(181)	(6,045)
Investor and public relations	3	(89,640)	(310,739)
Legal and professional costs		(120,630)	(184,616)
Options expense		-	(162,511)
Loss before income tax expense		(650,118)	(880,894)
Income tax expense		-	-
Net loss for the period Attributable to the owners of Gold Mountain Limited		(650,118)	(884,894)
Other comprehensive income			
Foreign currency translation		15	1
Revaluation of Options		458,364	-
Total other comprehensive income for the year, net of tax		458,379	1
Total comprehensive loss for the period Attributable to the owners of Gold Mountain Limited		(191,739)	(880,893)
Basic loss per share (cents per share)	15	(0.05)	(0.15)
Diluted earnings per share (cents per share)	15	(0.05)	(0.15)

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



Consolidated Statement of Financial Position

As at 31 December 2020

	Notes	31 Dec 2020 \$	30 Jun 2020 \$
Assets			
Current Assets			
Cash and cash equivalents		1,725,188	1,835,586
Trade and other receivables	4	122,870	118,130
Total Current Assets		1,848,058	1,953,716
Non-Current Assets			
Plant and equipment	5	226,412	285,821
Deferred exploration and evaluation expenditure	6	21,209,012	19,722,616
Intangible assets	7	5,996,150	5,996,150
Investments	8	50,555	50,555
Right of Use Assets	9	83,871	125,807
Other assets	9	35,545	35,545
Total Non-Current Assets		27,601,545	22,369,838
Total Assets		29,449,603	22,484,417
Liabilities			
Current Liabilities			
Trade and other payables	10	1,014,769	1,855,824
Borrowings		-	-
Other current liabilities	11	85,769	835,329
Total Current Liabilities		1,100,538	2,691,153
Non-Current Liabilities			
Other non-current liabilities	11	31,000	44,223
Total Non Current Liabilities		31,000	44,223
Total Liabilities		1,131,538	2,735,377
Net Assets		28,318,065	25,434,816
Equity			
Issued capital	12	40,020,834	36,487,484
Reserves	13	465,695	924,044
Accumulated Losses		(12,168,527)	(11,967,774)
Total equity attributable to equity holders of the Company		28,318,002	25,434,776
Non controlling interest		63	71
Total Equity		28,318,065	25,434,817

The statement of financial position should be read in conjunction with the accompanying notes.



Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2020

	Issued Capital	Reserves	Accumulated Losses	Non Controlling Interest	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	30,006,334	697,225	(10,406,897)	64	20,296,725
Comprehensive Income					
Net loss for the period	-	-	(880,894)	-	(880,894)
Other comprehensive income	-	1	-	-	1
Total comprehensive income for the year	-	1	(880,894)	-	(880,893)
Transactions with owners in their capacity as owners	5,108,000				5,108,000
Share issue costs	(444,000)	-	-	-	(444,000)
Options expense	-	162,511	-	-	162,511
Total transactions with owners	4,664,000	162,511	-	-	4,826,511
Balance at 31 December 2019	34,670,334	859,737	(11,287,791)	64	24,242,343
Balance at 1 July 2020	36,487,484	924,044	(11,976,774)	64	25,434,817
Comprehensive Income					
Net loss for the period	-	-	(650,118)	-	(650,118)
Other comprehensive income	-	15	458,364	-	458,379
Total comprehensive income for the year	-	15	(191,754)	-	(191,739)
Transactions with owners in their capacity as owners					
Shares issued during the half-year	4,244,050	(458,364)	-	-	3,785,701
Share issue costs	(710,700)	-	-	-	(710,700)
Options expense	-	-	-	-	-
Total transactions with owners	3,533,350	(458,349)	(191,754)	-	2,883,247
Balance at 31 December 2020	40,020,834	465,695	(12,168,528)	64	28,318,065

The statement of changes in equity should be read in conjunction with the accompanying notes.



Consolidated Statement of Cash Flows

For the Half-year Ended 31 December 2020

	Note	31 Dec 2020	31 Dec 2019
		\$	\$
Cash flows from operating activities			
Interest received		565	787
Rental receipts		33,785	26,659
Foreign Currency Translation		22,945	-
Government Grants		20,500	-
Payments to suppliers and employees		<u>(2,230,517)</u>	<u>(720,629)</u>
Net cash provided by / (used in) in operating activities		<u>(2,152,722)</u>	<u>(693,183)</u>
Cash flows from investing activities			
Payment for plant and equipment	5	(4,627)	-
Refund of security deposits		-	-
Proceeds from shares applications		-	-
Payments for other assets		-	-
Payments for exploration and evaluation expenditure	6	<u>(1,486,397)</u>	<u>(2,455,591)</u>
Net cash used in investing activities		<u>(1,491,024)</u>	<u>(2,455,591)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	100,000
Repayment of borrowings		-	(350,000)
Proceeds from the issue of shares		4,244,049	5,108,000
Share issue costs		<u>(710,700)</u>	<u>(444,000)</u>
Net cash provided by financing activities		<u>3,533,349</u>	<u>4,414,000</u>
Net (decrease) / increase in cash and cash equivalents		(110,397)	1,265,226
Cash and cash equivalents at the beginning of the period		<u>1,835,585</u>	<u>54,070</u>
Cash and cash equivalents at the end of the period		<u>1,725,188</u>	<u>1,319,296</u>

The statement of cashflows should be read in conjunction with the accompanying notes.



Notes to the Financial Statements

For the Half-year Ended 31 December 2020

Note 1: Statement of Significant Accounting Policies

Statement of compliance

These interim financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by Gold Mountain Limited (the Company) during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Gold Mountain Limited and its subsidiaries (as outlined in note 19) as at and for the half year ended 31 December.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has all of the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.



Where the Group has less than a majority of the voting, or similar, rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The financial statements of Viva No. 20 Limited are prepared using the calendar year ending on 31 December each year, using consistent accounting policies.

All intercompany balances and transactions have been eliminated in full.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where there is a loss of control of a subsidiary, the consolidated financial statements include the results of the part of the reporting period during which the Company has had control.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received



- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2020.

Going concern

The financial statements have been prepared on the going concern basis, the validity of which depends upon the positive cash position. The Company's existing projections show that further funds will be required to be generated, either by capital raisings, sales of assets or other initiatives, to enable the Company to fund its currently planned activities for at least the next 12 months from the date of signing these financial statements.

With the approval of shareholders at the 2020 AGM, the Company has a share placement capacity to issue new shares over the next 12 months in accordance with Listing Rules 7.1 and 7.1.A. It is anticipated that the placement facilities would enable the Company to raise sufficient funds to support the associated operational and management rights and obligations in respect of the Wabag Project in Papua New Guinea, and other working capital requirements.

Notwithstanding this issue, the Directors have prepared the financial statements of the Company on a going concern basis. In arriving at this position, the Directors have considered the following pertinent matter: Australian Accounting Standard, AASB 101 "Accounting Policies", states that an entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

In the Directors' opinion, at the date of signing the financial report, there are reasonable grounds to believe that the matters set out above will be achieved and therefore the financial statements have been prepared on a going concern basis.

Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Board of Gold Mountain Limited.



Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2020, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

Note 2: Other income

	Half-year 31 Dec 2020 \$	Half-year 31 Dec 2019 \$
Interest received	565	787
Rental income	33,785	26,659
Foreign exchange gain	22,945	8,794
Government Grants	20,500	-
Total other income	<u>77,795</u>	<u>36,240</u>

Note 3: Loss for the year

	Half-year 31 Dec 2020 \$	Half-year 31 Dec 2019 \$
Loss before income tax includes the following expenses:		
Rental expense on operating leases	1,679	50,810

a. Significant items

The following significant expense items are relevant in explaining the financial performance:

- Investor and Public Relations	89,640	310,739
- Exploration expense	181	-
- Options expense	-	162,511

Note 4: Trade and other receivables

	31 Dec 2020 \$	30 Jun 2020 \$
PNG Project Advance	80,000	75,000
Other receivables	42,870	43,130
Total current trade and other receivables	<u>122,870</u>	<u>118,130</u>



Note 5: Plant and equipment

	31 Dec 2020 \$	30 Jun 2020 \$
Plant and equipment - at cost	609,604	604,978
Accumulated depreciation	(383,192)	(319,157)
	226,412	285,821

Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous reporting period:

Carrying amount at beginning of the period	285,821	418,780
Additions	4,624	(6,045)
Transferred to exploration expense and written-off	-	-
Depreciation expense	(64,033)	(126,913)
Carrying amount at the end of the period	226,412	285,821

Note 6: Deferred exploration and evaluation expenditure

	31 Dec 2020 \$	30 Jun 2020 \$
Balance at beginning of period 1 July 2020	19,722,616	15,868,988
Expenditure incurred in the period	1,486,396	3,853,628
Expenditure incurred on acquisition of 70% interest in EL2036	-	-
Impairment loss on existing tenements	-	-
Balance at 31 December 2020	21,209,012	19,722,616

Recoverability of the carrying amount of deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or sale of the areas of interest. Management reassess the carrying value of the Company's tenements at each half year, or at a period other than that should there be an indication of impairment.



Note 7: Intangible assets

	31 Dec 2020	30 Jun 2020
	\$	\$
Intangible assets		
Goodwill on acquisition	5,996,150	5,996,150
Total intangible assets	5,996,150	5,996,150

Movements in Carrying Amounts

Movement in the carrying amounts for intangible assets between the beginning and the end of the current financial period:

	31 Dec 2020	30 Jun 2020
	\$	\$
Opening balance at 1 July 2020	5,995,970	6,002,733
Additions	-	-
Disposals	-	-
Movement in foreign exchange	180	(6,763)
Carrying amount at 31 December 2020	5,996,150	5,995,970

Goodwill on acquisition

On 16 August 2016 the Company completed the acquisition of an additional 50% of the issued capital of Viva through the issue of 60,000,000 shares at \$0.08 each to the Vendors. Simultaneously, the Vendors issued 125 ordinary shares to GMN comprising 50% of the entire issued capital of Viva held by the Vendors. On completion of this acquisition, the Company now holds a controlling interest of 70% in Viva. Goodwill of \$5,996,150 is recorded from the acquisition at 31 December 2020.

Note 8: Investments

	31 Dec 2020	30 Jun 2020
	\$	\$
Gold nuggets	50,555	50,555
	50,555	50,555

Note 9: Other assets

	31 Dec 2020	30 Jun 2020
	\$	\$
Security deposits	35,545	35,545
	35,545	35,545
Right of Use Asset	209,679	209,679
Accumulated Depreciation	(125,808)	(83,871)
Carrying amount at the end of the period	83,871	125,807



Note 10: Trade and other payables

	31 Dec 2020	30 Jun 2020
	\$	\$
Trade payables and accrued expenses	408,441	419,494
Amounts payable to Director and related entities	8,091	4,299
Shareholders loan and accrued interest	570,637	754,081
Unissued share liability	-	650,350
Rental deposit received	27,600	27,600
Total trade and other payables	1,014,769	1,855,824

Note 11: Other current and non-current liabilities

	31 Dec 2020	30 Jun 2020
	\$	\$
Current		
Lease Liability	85,769	85,329
Instalment costs – EL2306	-	750,000
Total other current liabilities	85,769	835,329
Non current		
Lease Liability	-	44,223
Instalment costs – EL2306	-	-
Deferred Directors Fees	31,000	-
Total other non current liabilities	31,000	44,223

Instalment costs – EL2306

On 18 July 2017, the Company announced that it had entered a binding agreement for the acquisition of the EL2306 Interest from the EL2306 Vendor for purchase price of \$5,200,000 comprising 22 million Shares at a notional price of \$0.10 per Share and \$3,000,000 in cash. The cash consideration of \$3,000,000 is payable in instalments. An exclusivity fee of \$150,000 was also paid and capitalised as Deferred Expenditure in FY 2016. On 19 February, 2018 the Company issued 22,000,000 shares at the issue price of \$0.10 to raise \$2,200,000 as part consideration for the acquisition of a 70% interest in EL2306 as approved by Shareholders at the Annual General Meeting held on 28 November 2017. Instalment costs of \$1,200,000 remain to be paid by the Company at 31 December 2019, with \$750,000 payable by 30 June 2020 and \$450,000 payable by 31 December 2020.



Note 12: Issued Capital

	31 Dec 2020 Number of shares	31 Dec 2020 \$	30 Jun 2020 Number of shares	30 Jun 2020 \$
(a) Ordinary shares				
Ordinary Shares, issued	743,762,424	43,305,560	667,838,577	39,061,510
Share issue costs		(3,284,726)		(2,574,026)
Total issued capital		40,020,834		36,487,484

(b) Movements in ordinary shares on issue

Date	Particulars	Number of shares	Issue Price	\$
1 Jul 2020	Opening balance	667,838,577		36,487,484
03 Jul 2020	Ordinary shares issued	11,823,847	\$0.065	768,550
08 Oct 2020	Ordinary shares issued	10,000,000	\$0.05	500,000
17 Nov 2020	Ordinary shares issued	38,909,090	\$0.055	2,140,000
30 Dec 2020	Ordinary shares issued	15,190,910	\$0.055	835,500
31 Dec 2020	Share issue costs			(710,700)
31 Dec 2020	Total shares on issue and issued capital	743,762,424		40,020,834

Note 13: Reserves

	31 Dec 2020 \$	30 Jun 2020 \$
Reserves		
Foreign currency translation reserve	15	(4)
Share based payments reserve	465,680	924,048
	465,695	924,044

Movements in the foreign currency translation reserve

At 1 July 2020	(4)	(1)
Foreign currency translation	19	(3)
At 31 December 2020	15	(4)

Movements in options over ordinary shares on issue

At 1 July 2020	924,044	697,229
Options movement during the period	(458,364)	226,819
At 31 December 2020	465,680	924,044

Note 14: Share based payments

	31 Dec 2020 \$	31 Dec 2019 \$
(a) Share-based payments		
Options movement during the period	(458,364)	162,511
Total allocated against Options Expense Reserve	(458,364)	162,511



Note 14: Share based payments (continued)

(b) Unlisted options

The following table details the number, weighted average exercise prices (WAEP) and movements in share options issued as capital raising purposes, employment incentives or as payments to third parties for services during the half year to 31 December 2020.

	31-Dec-2020	31 Dec 2020
	Number	WAEP
Outstanding at 1 July 2020	175,674,366	\$0.133
Unlisted options granted during the half-year	99,323,848	\$0.14
Unlisted options lapsed during the half-year	(41,483,336)	\$0.10
Unlisted options exercised during the half-year	-	-
Outstanding at 31 December 2020	233,514,878	\$0.14

(c) Options exercisable at reporting date

	Number	Exercise Price
GMNAD Unlisted options granted to participating Directors Expiring 26 July 2021 ⁽¹⁾	2,000,000	\$0.15
GMNAE Unlisted options under Employee Share Option Plan Expiring 26 July 2021 ⁽²⁾	7,800,000	\$0.15
GMNAC Unlisted options under Employee Share Option Plan Expiring 16 March 2021	7,911,539	\$0.10
GMNAF Unlisted options under Employee Share Option Plan Expiring 5 June 2021	8,666,154	\$0.10
GMNAC Unlisted options under Employee Share Option Plan Expiring 3 July 2021	5,911,924	\$0.10
Unlisted options granted to participants in share placement Expiring 1 March 2021	10,148,162	\$0.15
Unlisted options granted to participants in share placement Expiring 27 May 2021	7,138,461	\$0.15
Unlisted options granted to participants in share placement Expiring 28 August 2021	9,866,669	\$0.15
Unlisted options granted to participants in share placements Expiring 3 December 2021 and to promoters and related parties pursuant to resolutions 7, 8 and 9 at the 2019 AGM	56,616,667	\$0.15
GMNAC Unlisted options under Employee Share Option Plan Expiring 16 March 2022	12,911,539	\$0.15



Note 14: Share based payments (continued)

GMNAC Unlisted options under Employee Share Option Plan Expiring 3 July 2022	23,411,924	\$0.15
GMNAG Unlisted options under Employee Share Option Plan Expiring 5 June 2022	11,131,539	\$0.15
GMNAR Unlisted options to promoters Expiring 8 October 2022	39,000,000	\$0.15
GMNAS Unlisted options to promoters Expiring 31 December 2022	11,000,000	\$0.15
GMNAT Unlisted options under Employee Share Option Plan Expiring 16 March 2021	20,000,000	\$0.15
Options Exercisable at Reporting Date	233,514,578	

(1) 2,000,000 unlisted options granted on 26 September 2017 to participating Directors have an exercise price of \$0.15, expire in 46 months from the grant date and are subject to vending condition that the total options granted shall be vested over 3 periods of 12 months per period.

(2) 7,800,000 unlisted ESOP options granted on 26 September 2017 pursuant to the Company's Employee Share Option Plan have an exercise price of \$0.15, expire in 46 months from the grant date and are subject to vending condition that the total options granted shall be vested over 3 periods of 12 months per period.

(d) Fair value of unlisted options

The following table lists the fair value of options granted during the half-year ended 31 December 2020 and the inputs to the Black-Scholes model used to determine each valuation taking into account the terms and conditions upon which the options were granted.

Unlisted options expiring 03 July 2021	
Fair value at grant date (7 October 2020)	\$2,609
Share price at grant date	\$0.041
Exercise price	\$0.100
Expected volatility	68%
Expected life	12 months
Expected dividends	Nil
Risk-free interest rate	0.09%
Number of options issued	5,911,924
Unlisted options expiring 03 July 2022	
Fair value at grant date (7 October 2020)	\$40,264
Share price at grant date	\$0.041
Exercise price	\$0.150
Expected volatility	68%
Expected life	24 months
Expected dividends	Nil
Risk-free interest rate	0.09%
Number of options issued	23,411,924



Unlisted options expiring 08 October 2020	
Fair value at grant date (7 October 2020)	\$94,321
Share price at grant date	\$0.041
Exercise price	\$0.150
Expected volatility	68%
Expected life	24 months
Expected dividends	Nil
Risk-free interest rate	0.09%
Number of options issued	39,000,000
Unlisted options expiring 31 December 2022	
Fair value at grant date (30 December 2020)	\$33,648
Share price at grant date	\$0.042
Exercise price	\$0.150
Expected volatility	68%
Expected life	24 months
Expected dividends	Nil
Risk-free interest rate	0.09%
Number of options issued	11,000,000
Unlisted options expiring 31 December 2025	
Fair value at grant date (30 December 2020)	\$232,226
Share price at grant date	\$0.042
Exercise price	\$0.150
Expected volatility	68%
Expected life	60 months
Expected dividends	Nil
Risk-free interest rate	0.09%
Number of options issued	20,000,000

Note 15: Loss per share

	Half-year 31 Dec 2020 \$	Half-year 31 Dec 2019 \$
a. Basic Loss per share		
i. Basic Loss per share (cents)	(0.05)	(0.15)
ii. Net loss used to calculate basic loss per share	(190,630)	(880,894)
iii. Weighted average number of ordinary shares outstanding during the half-year used in calculating basic loss per share	384,817,894	590,963,989
b. Diluted loss per share		
The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in the net loss per share.	(0.05)	(0.15)



Note 16: Significant Events for the Period

On 2 July 2020, the Company advised that it has further raised \$768,550 via the continuing share placement program at \$0.065 per share to sophisticated investors. The share placement has accompanying entitlement of unlisted options for every two (2) shares issued, of one (1) share option exercisable at \$0.10 within 12 months (10c-Options) and another one (1) share option exercisable at \$0.15 within 24 months (15c-Options) respectively from date of issue. The Company’s Chief Executive Officer Tim Cameron and the recently appointed Advisor Matt Liddy have both participated in the placement giving support the ongoing drill program at the Monoyal Prospect.

On 3 July 2020, the Company lodged the Proposed issue of securities along with Appendix 2A Application for quotation of +securities of 11,823,847 shares. The total issue raised \$768,550 for working capital purposes. In addition, 5,911,924 10c-Options and 23,411,924 15c-Options were issued as entitlement of unlisted options to the issued shares, including 17,500,000 15c-Options allocation to an Introducer and Promoter for past services rendered.

On 17 July 2020, the Company announced the assay results of the fifth diamond hole MCD007 drilled at the Monoyal Prospect. The results contain anomalous copper zones, gold and molybdenum mineralisation over 1m intervals with best intercepts recorded 32m @ 0.10% Cu 49ppm Mo 0.03 g/t Au from 170m, 13m @ 0.13% Cu 63ppm Mo 0.04 g/t Au from 176m, 3m @ 0.14% Cu 96ppm Mo 0.06 g/t Au from 285m and 3m @ 0.10% Cu 511ppm Mo 0.04 g/t Au.

On 28 July 2020, the Company provided an update in relation to its drilling program at Wabag and reported the assay results of MCD005 and MCD006. Both holes intersected broad zones of elevated copper and molybdenum mineralisation, with anomalous gold and silver values. MCD005 intersected a narrow fault breccia between 93m and 94m, which assayed 0.81% Cu 0.26% Mo 1,175ppm Ag and contained elevated Zn (955ppm Zn). Assay results to 0.66% Cu 68 ppm Mo 0.26 g/t Au and 5.5 g/t Ag were recorded over 1m intervals in MCD006.

On 27 August 2020, the Company announced that the Mineral Resources Authority (MRA) has granted GMN 6768 (PNG) Limited (100% owned subsidiary) the exploration licence EL2632 Mt. Wipi for a period of two years to 13 August 2022. The tenement was granted after successful Warden’s hearing in October 2019.

On 15 September 2020, the Company announced that drilling at the Wabag Project is to resume in October 2020 following the easing of restrictions surrounding COVID-19. The focus in the drilling resumption will be testing Cu-Mo porphyry system at depth.

On 23 September 2020, the Company reported the assay results of float and rock samples collected at the southern end drainage areas of the newly granted EL2632 Mt Wipi tenement. The results from total of 28 samples are highly encouraging with copper values ranging from 100ppm Cu to 9.64% Cu, gold from 0.01 g/t to 1.96 g/t Au and silver 0.14 g/t to 144 g/t Ag. Airborne magnetic data has also identified several targets with exploration programme to follow-up.

On 8 October 2020, the Company issued securities of 39,000,000 options and 10,000,000 shares to Promoters in consideration for the provision of services in undertaking a number of placements during the period between July 2019 and until December 2020. The issue of these securities is consistent with resolutions 3 and 4 approved at the Extraordinary General Meeting (EGM) held on 2 October 2020.

On 23 October 2020, the Company released a clarifying statement in relation to the adoption of the Employee Share Options Plan (ESOP) at the EGM. For the purposes of exception rule 13 of ASX Listing Rule



Note 16: Significant Events for the Period

7.2, the maximum number of securities proposed to be issued under the ESOP during the three (3) year period from the date of EGM in reliance on the exception is 80,000,000.

On 2 November 2020, the Company announced that drilling has resumed at the Monoyal Prospect after a period of limited activities under a COVID-19 environment.

On 16 November 2020, the Company concluded an agreement for capital raise of \$2 million in the issue of shares at \$0.055. Further shares are issued in satisfaction of a related \$140,00 placement fee. The shares proposed to be issued are without security approval security holder approval using the Company’s 15% placement capacity under Listing Rule 7.1. The proposed issue under agreement is subject to post volume weighted average price (VWAP) Adjustment for addition shares if the floor price falls below \$0.03 at anytime between 6 and 24 months after placement date.

On 1 December 2020, the Board announced that CEO Tim Cameron has agreed to take on the role as Executive Director of the Company. In addition, Tony Teng will transition his role into a new position as Executive Director.

On 30 December 2020, the Company advised it has further raised \$835,500 via the issue of 15,190,910 shares in the continuing share placement program at \$0.055 per share. In addition, 20,000,000 performance options under the ESOP were issued to the directors with vesting conditions, at exercise price of \$0.15 and expiry 60 months consistent with resolutions 6, 7 and 8 adopted at the EGM of 2 October 2020. A further 11,000,000 options of exercise price \$0.15, expiry 24 months were issued to Promoters consistent to resolution 3 adopted at the EGM.

Note 17: Events After the Reporting Period

On 20 January 2021, the Company provided a market update on the progress of its exploration activities at the Wabag Project in PNG and disclosing results of initial exploration work carried out at Mt Wipi. High-grade rock chip rock chip samples (9.64% Cu, 1.96 g/t Au and 100 g/t Ag) and channel samples (including 5m @ 2.57 Cu, 0.53 g/t Au and 33.56 g/t Ag) in conjunction with anomalous stream sediment samples and mapping, have defined intrusives and skarns which highlight the strong exploration potential at Mt Wipi for the location of a large mineralised system.

On 1 March 2021, the Company released an Investor Presentation on the Wabag Project providing information on the Company’s strategy of targeting multiple copper-gold and molybdenum porphyry opportunities in PNG.

On 5 March 2021, the Company reported in the progress of its exploration activities that MCD008 drilled to a depth of 684.3m has encountered wide intercept of 175m grading at 0.11% Cu and 65ppm from 279m, using a 700ppm Cu cut off grade (COG). Anomalous molybdenum values are also present at the end of hole which indicates that the Wale Batholith is mineralised and prospective.

No other matters or circumstances have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.



Note 18: Operating Segments

Segment Information

Identification of reportable segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Gold Mountain Limited. During the half-year the Company operated principally in one business segment being mineral exploration and in two (2) geographical segments being Australia and Papua New Guinea.

Note 19: Controlled entities

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)
Subsidiaries of Gold Mountain Limited:		
Viva No. 20 Limited	Papua New Guinea	70%
GMN 6768 (PNG) Limited	Papua New Guinea	100%
Viva Gold (PNG) Limited	Papua New Guinea	100%
Abundance Valley (PNG) Limited	Papua New Guinea	100%

Unless otherwise stated, the subsidiary listed above has share capital consisting solely of ordinary shares, which are held directly by the group, and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Note 20: Dividends

The Directors of the Company have not declared an interim dividend.

Note 21: Commitments and Contingencies

Remuneration Commitments

There are no remuneration commitments contingent liabilities as at 31 December 2020.

Guarantees

Gold Mountain Limited did not commit to nor make guarantees of any form as at 31 December 2020.

Contingent liabilities

There are no contingent liabilities as at 31 December 2020.



Exploration licence expenditure requirements

The Company holds ten (10) exploration licences covering a total area of about 2,767 sq km (814 sub-blocks) in the Enga province, Papua New Guinea (collectively the Wabag Project) and is required to incur expenditures in total of \$777,500 (PGK 2.13 million) with minimum spent of \$234,000 (PGK 640,800) over the period Year 2020-2021.

Exploration licence EL2522 Wapenamanda cover an area of 836 sq km (246 sub-blocks) held by GMN 6768 (PNG) Limited has expired on 24 Feb 2021. No renewal application has been submitted.

Renewal applications for EL2426 Keman and EL2430 Meriamanda (held by GMN 6768 (PNG) Limited) were submitted, pending Warden's hearing which had been delayed due to travel restrictions and health and safety concerns surrounding COVID-19.

It is likely that the granting of the renewal application or any change in the licence areas at renewal or expiry will change the expenditure commitment obligations from time to time.



Directors' Declaration

In the opinion of the Directors of Gold Mountain Limited (the Company):

- 1) The financial statements and notes thereto, as set out on pages 10 to 28 are in accordance with the Corporations Act 2001 including:
 - a) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001; and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date.
- 2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303 (5) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read "Sin Pyng Teng".

Sin Pyng "Tony" Teng
Director

15 March 2021



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Gold Mountain Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Gold Mountain Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Gold Mountain Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the **Consolidated Entity's** financial position as at 31 December 2020 and of its performance for the financial Half-year ended on that date; and
- b) complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting and Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2020.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date.
- Notes 1-21 comprising a summary of significant accounting policies and other explanatory information.
- The Directors' Declaration.

The **Consolidated Entity** comprises Gold Mountain Limited (the Company and the entities it controlled at the Half-year's end or from time to time during the Half-year).

The **Half year Period** is the 6 months ended on 31 December 2020.

Responsibilities of the Directors for the Half-year Financial Report.

The directors of the company are responsible for the preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the Half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

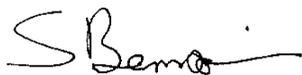
Auditor's responsibility

Our responsibility is to express a conclusion on the Half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on *Review Engagements ASRE 2410 Review of a Financial Performed by Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the Half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Gold Mountain Limited, ASRE 2410 required that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is subsequently less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KS Black & Co
Chartered Accountants



Scott Bennison
Partner

Dated: 15/3/2021