

ASX Announcement
19 September 2017

RESOURCE DRILLING COMMENCES AT QUICKSILVER NI-CO PROJECT



Figure 1 – RC Drill on site at the Garard Ni-Co prospect

HIGHLIGHTS

- Resource drilling has commenced at the Garard prospect within the Quicksilver Nickel-Cobalt project area.
- RC drilling being undertaken on 200 x 50 metre centres to test a **broad zone of anomalous nickel (Ni) and cobalt (Co) mineralisation over 2,000 metres of strike.**
- Systematic aircore drilling resulted in a projected 'Exploration Target':
20-30 Million Tonnes @ 0.1-0.2% Cobalt & 0.5-1.0% Nickel
- Drilling is designed to test the oxide zone down to more than 60 metres depth and allow the **estimation of a JORC 2012 resource in the coming months.**
- **Resampling of anomalous nickel-cobalt intercepts**, from the recent aircore drilling, has been completed with results pending.
- **Concurrent gold exploration continues at Leonora East.**

ASX: G88

CAPITAL STRUCTURE

Total shares on issue: 51.83m

Unlisted Issued Options: 8.5m

Market Cap @ \$0.17: \$8.8 million

CORPORATE DIRECTORY

Mr Rhod Grivas
Non-Executive Chairman

Mr Tim Putt
Managing Director

Dr Koon Lip Choo
Non-Executive Director

Mr Phillip Grundy
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Golden Mile Resources (ASX: G88) (“Golden Mile” or “the Company”) is pleased to announce that a comprehensive and systematic program of resource RC drilling has commenced at the Garard prospect on the Quicksilver project. The RC program is budgeted to cost less than \$300,000, providing the Company and its shareholders with a potential low cost delineation of a Cobalt, Nickel, Scandium resource that supplements the gold exploration at Leonora East. This program follows up and infills in the recently complete aircore drilling program across the Garard prospect (Figure 3).

1. Aircore Drilling Program – Complete¹

A program of systematic aircore drilling was completed in August 2017, on 400 x 100 metre centres, covering 1,500 metres of strike. This drilling program returned significant intersections of nickel, cobalt and scandium. Intercepts include high-grade nickel and cobalt:

QAC010 8 metres @ 2.16% Nickel from 40 metres depth

QAC015 4 metres @ 0.26% Cobalt from 40 metres depth

The aircore drilling program at the Garard prospect demonstrated that:

- **Anomalous nickel and cobalt mineralisation is widespread in the near surface environment (<50 metres depth).**
- **Mineralisation occurs over an extensive strike length (more than 2,000 metres).**
- **Wide intercepts of scandium mineralisation (a semi-precious technology metal) is found associated with the nickel-cobalt mineralisation.**
- **The Garard prospect has the potential to be progressed to a sizeable JORC 2012 mineral resource, with a proposed ‘Exploration Target’* of:**

20-30 Million Tonnes @ 0.1-0.2% Cobalt & 0.5-1.0% Nickel

*Please note that the potential quantity and grade of the Exploration Targets proposed for the Garard prospect are conceptual in nature as there has been insufficient exploration, to date, to allow the estimation of a Mineral Resource as defined by the 2012 JORC Code. In addition, it is uncertain if further exploration will result in the estimation of a Mineral Resource.



Figure 2 – Outcropping nickel-cobalt laterites at Quicksilver

2. Resource/ RC Drilling Program – In Progress

A program of Reverse Circulation (“RC”) drilling, aimed at **defining a JORC 2012 Resource** has now commenced at the Garard prospect (Figure 1). This RC drilling is designed to infill, and extend, upon the previous aircore drilling program closing the drill spacing to 200 x 50 metre in the main area of the prospect. Drilling will extend to 100 metre hole spacing, along strike , beyond the extents of the aircore drilling program (Figure 3).

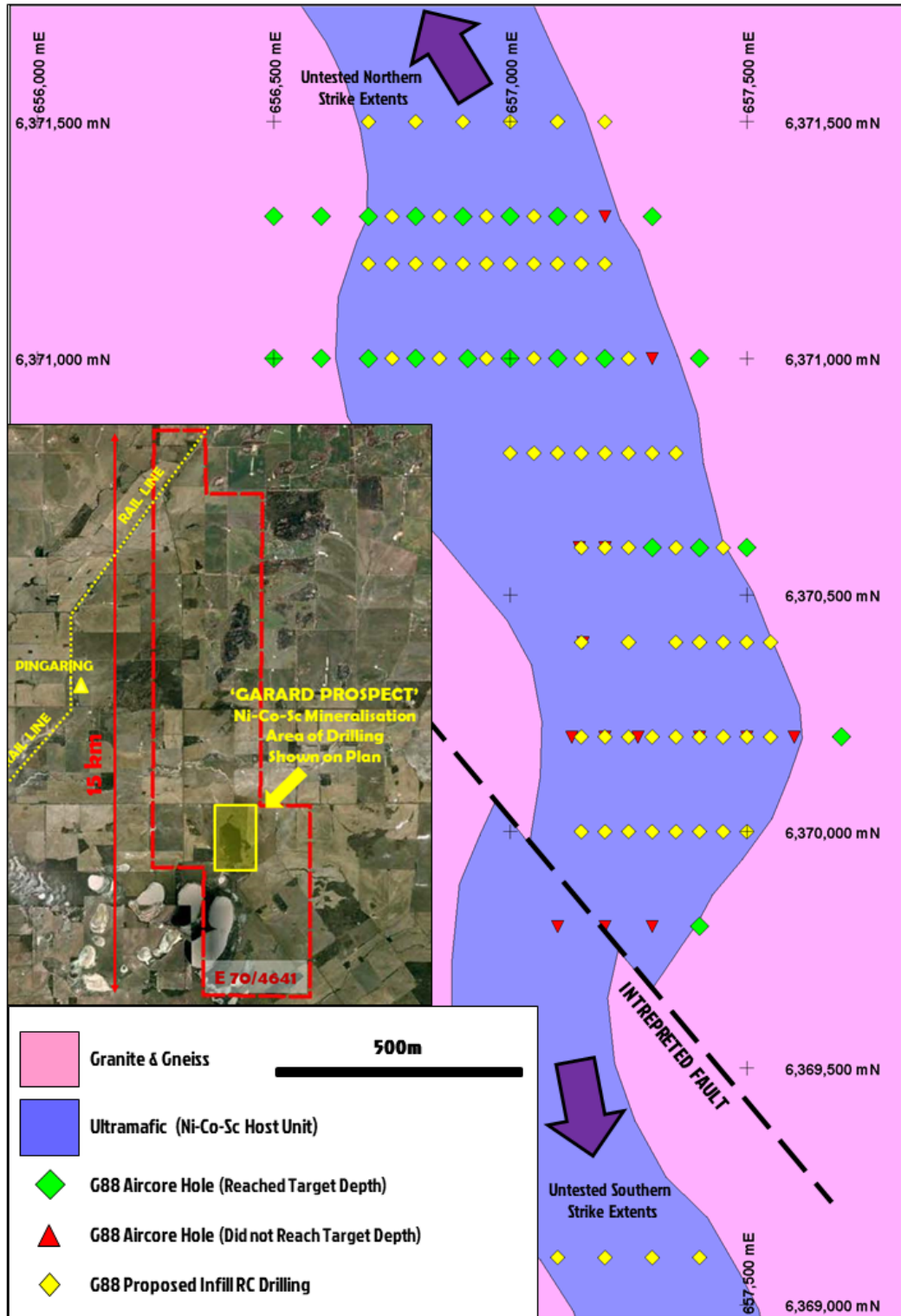


Figure 3 – Interpreted geology with completed aircore drilling and planned RC drilling

Drilling is anticipated to extend to an average depth of 60 metres, to test the full weathered/oxide profile over the mineralised stratigraphy. The program is presently entails the completion of 75 drill holes, for approximately 4,500 metres of RC drilling, but may be extended as required (Figure 3).

3. Resample of Aircore Drilling Program – Complete

The aircore drilling program sampled and assayed utilising 4 metre composite samples - a small subsample from each metre drilled was compiled to cover every four metre interval. This practice is employed to save on initial costs whilst drilling is at an early stage.

A review of the results has been undertaken and all significant nickel & cobalt intervals, returned from the 4 metre composites, has now been resampled on one metre intervals resulting in over 700 resamples for assay.

These samples are now 'on-route' to Labwest in Perth, with results expected in early October 2017.

Golden Mile looks forward to updating shareholders as the resource drilling program at Quicksilver advances and the results of the aircore resampling are received in the coming weeks.

References

1. *Golden Mile Resources Ltd, 30 August 2017, ASX Announcement – Wide Nickel, Cobalt & Scandium Intercepts at Quicksilver*

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About Golden Mile Resources Ltd



Golden Mile Resources is an Australian based exploration and development company, with an outstanding suite of cobalt, gold, and base metal projects in Western Australia. The Company was formed in 2016 to carry out the acquisition, exploration and development of mining assets in Western Australia, and has to date acquired a suite of exploration projects, predominantly within the fertile North-Eastern Goldfields of Western Australia.

The Company's portfolio includes two nickel-cobalt projects, namely the Quicksilver project in the South West Mineral Field and the Minara project in the North Eastern Goldfields.

In addition, Golden Mile holds a suite of gold projects adjacent to Leonora which include the Ironstone Well & Leonora East projects.

The Company also holds the Darlot Gold project to the north of Leonora and the Gidjee Polymetallic project north of Sandstone.

For more information please visit the Company's website: <https://www.goldenmilresources.com.au/>

Exploration Targets

The term 'Exploration Target' should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2012) and therefore the terms have not been used in this context. The potential quantity and grade of the Exploration target is conceptual in nature and there has been insufficient exploration to date to allow the estimation of a Mineral Resource. In addition it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon information compiled by Mr Timothy Putt, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Putt is the Managing Director of Golden Mile Resources Ltd, a full time employee and substantial shareholder of the Company.

Mr Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Putt consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Mile Resources Ltd (ASX: G88) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Mile Resources Ltd (ASX: G88) believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.