

## LEONORA EAST PROJECT: EXPLORATION COMMENCES ON THE PROSPECTIVE MONARCH GOLD TREND

### Highlights:

- Golden Mile Resources has commenced a gold exploration program over the Monarch Gold Trend (“MGT”) located on its prospective Leonora East Project area.
- Historical exploration over parts of the MGT has identified numerous occurrences of gold mineralisation along the trend.
- A magnetic low coincident with a granite-greenstone contact appears to be indicative of a broad zone of alteration associated with a mineralised shear zone.
- An extensive auger sampling program has been implemented to test the MGT and identify areas for follow-up drilling.
- The MGT is a highly prospective area located immediately adjacent to the Kin Mining Limited Mertondale development; and the Redcliffe gold discovery by NTM Gold Limited.



**Photograph 1: Example of historical gold workings located on the Monarch Gold Trend**

Golden Mile Resources Ltd (ASX:**G88**, the Company) is pleased to advise that a gold exploration program has commenced on the prospective Monarch Gold Trend within the Leonora East Project, located in the North-Eastern Goldfields of Western Australia.

### MARKET DATA

ASX Code: G88  
Share Price: \$0.12 (as at 16/01/2018)  
Market Cap: \$6.95 Million  
Shares on Issue: 57,899,977  
Options on Issue: 9,425,000  
Cash at bank: \$2.2 Million (as at 30/09/2018)

### BOARD & MANAGEMENT

Rhoderick Grivas - Non-Executive Chairman  
Lachlan Reynolds - Managing Director  
Phillip Grundy - Non-Executive Director  
Justyn Stedwell - Company Secretary  
Paul Frawley - Exploration Manager

Regarding the proposed work, Managing Director of the Company, Lachlan Reynolds stated that:

*“Golden Mile Resources is excited to advance the exploration of its gold targets along the Monarch Gold Trend. This prospective area has a strike length in excess of 15 km, is close to former gold mines, has encouraging historical exploration results and contains a known mineralised structure that has the potential to host a significant gold deposit.*

*The Company looks forward to updating shareholders as the exploration work progresses on the Monarch Gold Trend and its other projects in the Leonora East Project area.”*

## LEONORA EAST GOLD PROJECT

The Company holds a number of prospective gold exploration projects in the Leonora area (Figure 1), including Ironstone Well and Leonora East (Monarch and Benalla Gold Trends). G88 also holds the Minara Project which is prospective for nickel-cobalt mineralisation.

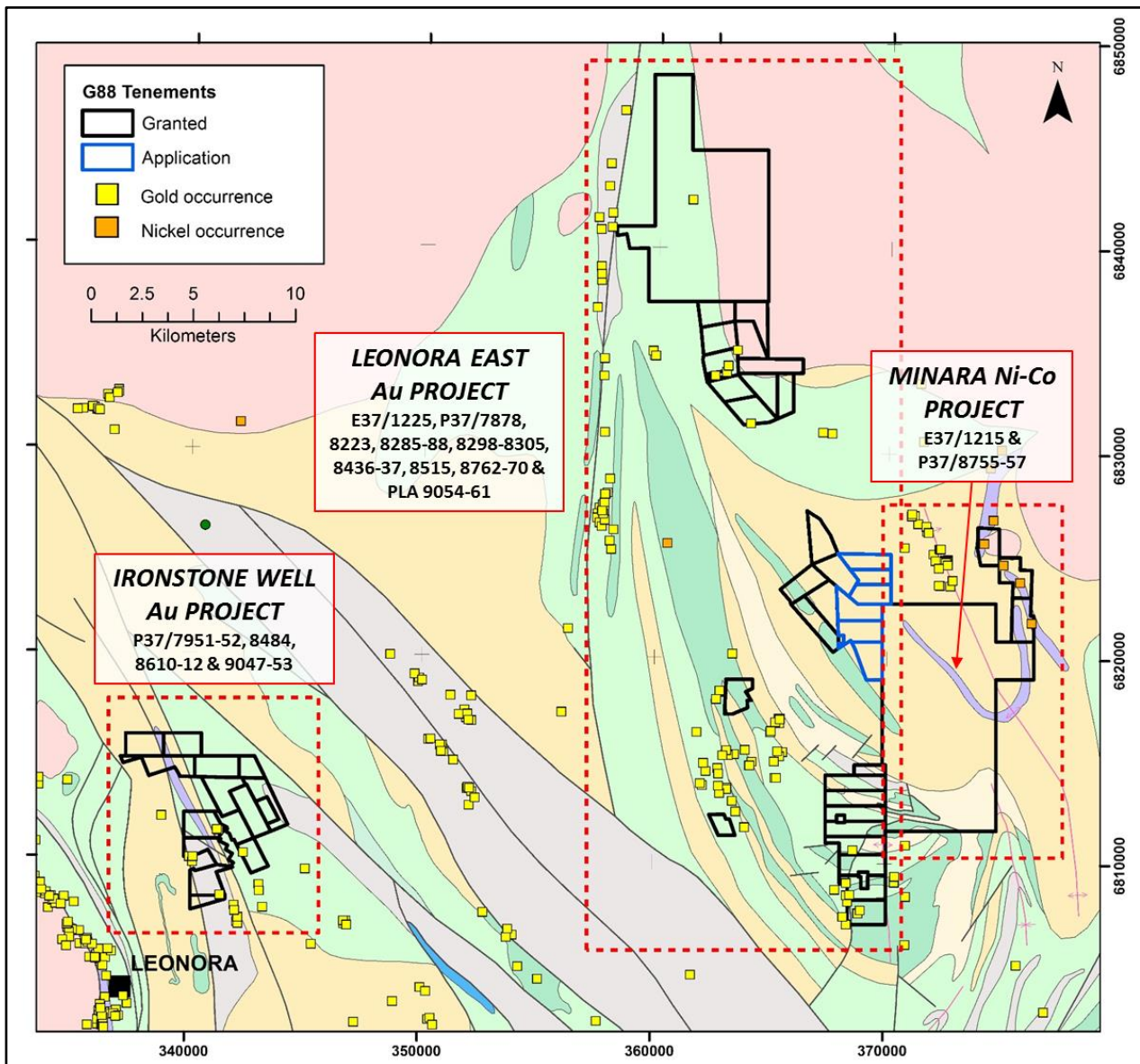
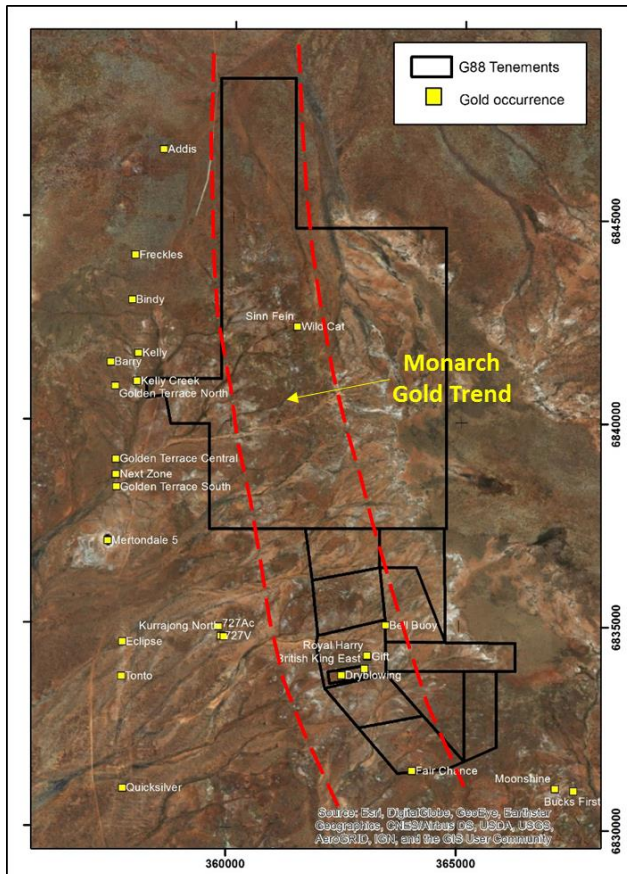


Figure 1: Map of Golden Mile Resources projects in the Leonora region of Western Australia

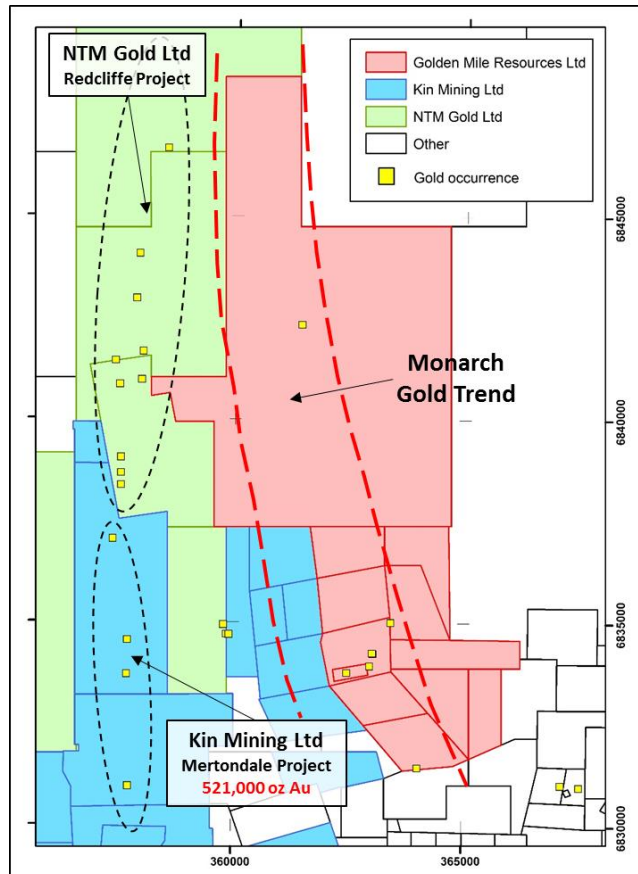


## Monarch Gold Trend

The Monarch Gold Trend ('MGT') is located approximately 40 km to the northeast of Leonora. The MGT covers the eastern part of the Mertondale Shear Zone along a granite-greenstone contact that is interpreted to represent a poorly tested but extensive gold bearing structure extending over more than 15 km of strike (Figure 2).



**Figure 2: Satellite image showing the location of the Golden Mile tenements, known gold occurrences and the interpreted Monarch Gold Trend**



**Figure 3: Diagram showing the location of the Golden Mile Resources tenements with respect to the Kin Mining Mertondale Project and the NTM Gold Redcliffe Project.**

The MGT is adjacent to the Mertondale Project (Figure 3), where Kin Mining Limited (ASX:KIN) have defined a total Indicated and Inferred gold resource of 11.6 Mt @ 1.4 g/t Au, for a contained 521,000 oz gold (refer to KIN ASX Announcement 30 August 2017 "Kin Defines +1 Million ounces of Gold at the Leonora Gold Project"). The northern part of the MGT lies immediately to the east of the Redcliffe Project where NTM Gold Limited (ASX:NTM) have recently identified new zones of gold mineralisation (refer to NTM ASX Announcement 15 January 2019 "Hub RC delivers").

Previous work by the Company has included mapping and prospecting which identified an extensive gold mineralised trend characterised by shearing and faulting and featuring high-grade gold and a large number of historical gold workings, most of which have not previously been recorded, surveyed or explored utilising modern exploration techniques (refer to Golden Mile Resources announcement to the ASX dated 7 September 2017).

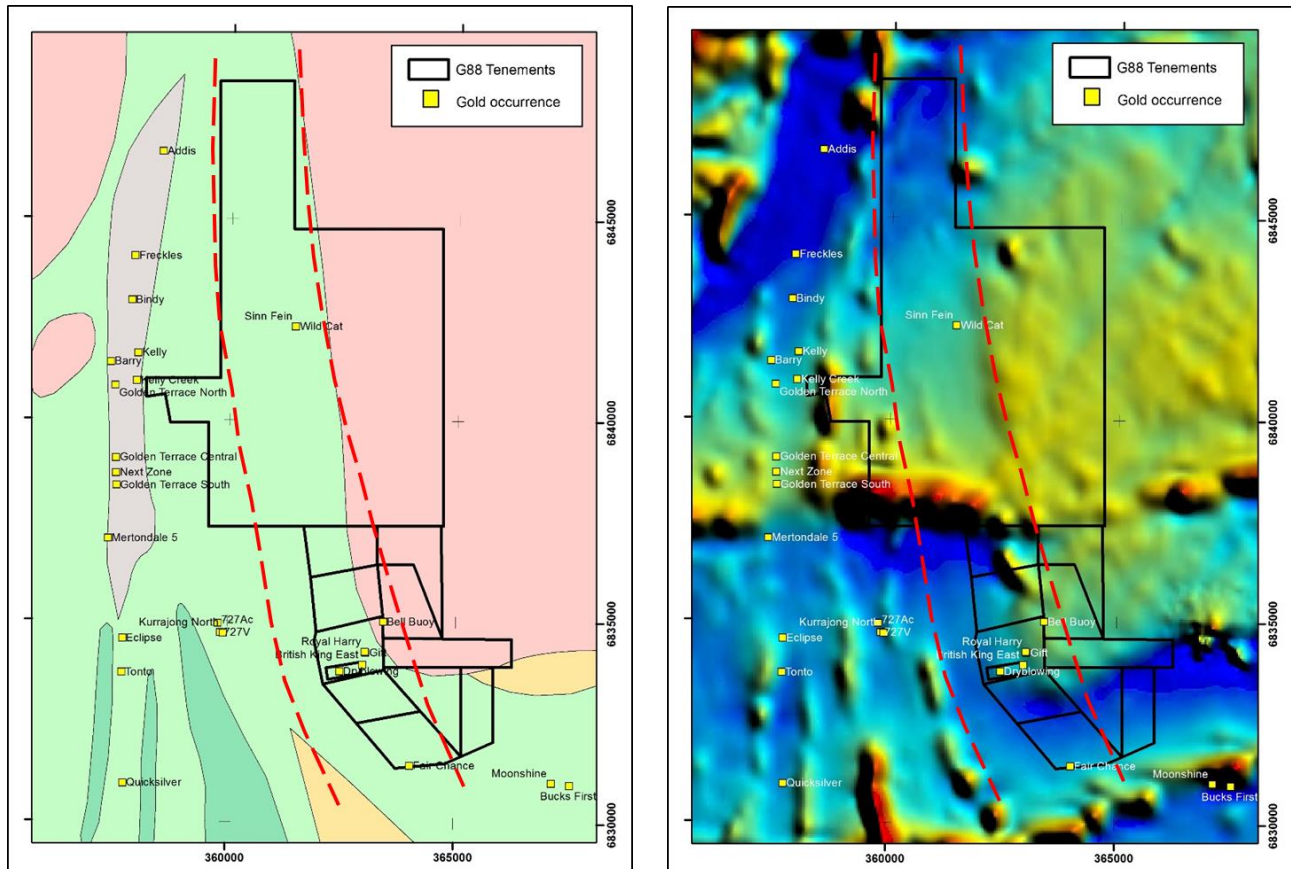
Extensive prospecting has been undertaken in the southern part of the MGT, where detecting has discovered more than 70 gold nuggets, of varying sizes and weights (*refer to Golden Mile Resources announcement to the ASX dated 13 September 2017*). Furthermore, rock chip sampling to test the surface and outcropping mineralisation associated with many of the historic gold workings through the southern trend has returned numerous high-grade gold assays (*refer to Golden Mile Resources announcement to the ASX dated 14 October 2017*).

The Monarch Gold Trend remains largely untested by modern exploration methods. Golden Mile's present exploration program is directed towards delineating targets for drill testing.

## Target Generation

An evaluation of both the geophysical and geochemical data for the tenement area shows an extensive geological and geophysical target along the projected Monarch Gold Trend (Figure 4). The target is defined by a contact between greenstone rocks and granites. These contacts are known to be a highly prospective target through the region, with many of the gold deposits around Leonora and Laverton associated with this rheological contrast.

Furthermore, an evaluation of the regional magnetic data shows a significant magnetic low associated with the granite-greenstone contact along the MGT. This may be indicative of a broad zone of alteration that might be found associated with a mineralized shear zone. These two inter-related features make the MGT a compelling target for further exploration by the Company.



**Figure 4: Insert plan of Monarch Gold Trend with respect to interpreted geology (L) and TMI magnetic image (R)**

Historical exploration over parts of the MGT on the Company's ground includes prospecting, surface sampling, rock chip sampling and auger drilling, with limited RAB/RC drilling follow up on selected prospect areas. This work has identified numerous occurrences of gold mineralisation along the trend, emphasising its prospectivity. However, a significant part of the trend is either untested by modern exploration or has been affected by shallow transported cover.

### **Mineralisation Styles**

The Monarch Gold Trend has the potential to contain both shear hosted and lode style (quartz vein) gold deposits that are common in the Leonora region. Shear hosted golds tend to be higher tonnage – low to medium grade gold deposits similar to the deposits in the Mertondale Shear (e.g. the Mertondale 1,3, 4 and 5 open pits mined in the 1990's).

Lode style or quartz vein hosted deposits typically contain high-grade gold mineralisation associated with discrete quartz veins. This style of mineralisation is clearly in evidence throughout the MGT with numerous artisanal historical workings including shafts, pits and costeans that date back to the 1900's through to the present day.

Based on the known mineralisation within the MGT, the Company believes that there is potential for the discovery of a gold deposit with the size and grade required to support further development. An exploration program to test the trend has been prepared accordingly.

### **Exploration Program**

An extensive program of auger drilling over about 15 km of prospective strike has commenced on the Monarch Gold Trend. This program will comprise approximately 800 shallow auger drill holes on 400 x 100 metre spacing. Holes will be drilled through the cover units to a maximum of 2 metres depth to obtain geochemical samples of the rocks below the shallow cover.

This program is designed to extend previous auger sampling and to provide geochemical sampling that will assist in delineating further targets for follow up drilling. Infill auger drilling will be undertaken where anomalous gold is detected by the sampling program.

The Company has received statutory Program of Work approval from the WA Department of Mines, Industry Regulation and Safety. The auger drilling will be completed as soon as practicable and results are expected to be available in the first quarter of 2019.

### **For further information please contact:**

**Lachlan Reynolds** – Managing Director  
**Golden Mile Resources Ltd (ASX: G88)**  
**T:** (08) 9480 0636, **F:** (08) 9321 0320  
**E:** [lreynolds@goldenmilresources.com.au](mailto:lreynolds@goldenmilresources.com.au)

**Justyn Stedwell** – Company Secretary  
**Golden Mile Resources Ltd (ASX: G88)**  
**T:** (03) 9191 0135, **F:** (03) 8678 1747  
**E:** [justyn@stedwell.com.au](mailto:justyn@stedwell.com.au)



## 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 Gidgee Polymetallic project north of Sandstone.

For more information please visit the Company's website: [www.goldenmileresources.com.au](http://www.goldenmileresources.com.au)

### **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.

### **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 Lachlan Reynolds, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Reynolds is the Managing Director of Golden Mile Resources Ltd and a full-time employee of the Company.

Mr Reynolds 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 Reynolds consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements referenced in this announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.